

Deloitte News

April 2018, Deloitte in Slovakia

Direct Taxes:

- **The Ministry of Finance's Opinion on "Digital Permanent Establishment"**

The Ministry of Finance of the Slovak Republic (hereinafter the "Ministry of Finance") published its opinion on the definition of a permanent establishment on a digital platform.

- **Information on the Inclusion of Tax Licence in Table K of the 2017 Corporate Income Tax Return Form**

The Financial Directorate of the Slovak Republic published Information on the Netting Off of a Tax Licence against Corporate Income Tax for the 2017 Taxation Period.

- **Information on the Payment of Income Tax Based on a Tax Return Filed for 2017**

The Financial Directorate of the Slovak Republic published Information on the Payment of Income Tax Based on a Tax Return Filed for 2017, which contains account numbers for the payment of tax.

- **Judgment of the Court of Justice of the European Union in Joined Cases C-398/16 and C-399/16**

Judgment of the Court of Justice of the European Union in Joined Cases C-398/16 and C-399/16 relates to advantages linked to the formation of a single tax entity.

- **Information on the Assignment of a Share of Personal Tax Paid for 2017 by a Natural Person Who Submits the Income Tax Return for 2017**

The Financial Directorate of the Slovak Republic published information on the assignment of a share of personal tax paid for 2017 if a natural person files an income tax return for 2017.

- **Information on the Assignment of a Share of Personal Tax Paid for 2017 where the Employer Performed an Annual Reconciliation of Advances for Tax on Income from Dependent Activities**

The Financial Directorate of the Slovak Republic published information on the assignment of a share of personal tax paid for 2017 if the employer performed an annual reconciliation of tax for 2017 for a natural person.

- **Information on the Payment of Income Tax Based on a Tax Return Filed for 2017**

The Financial Directorate of the Slovak Republic published information on the payment of a tax liability based on a tax return filed for 2017.

- **Information on the Application of Flat-Rate Expenses for the 2017 Taxation Period**

The Financial Directorate of the Slovak Republic published information on the application and calculation of flat-rate expenses by a natural person for the 2017 taxation period.

- **Judgment of the Court of Justice in Case C-355/16 – Christian Picart – Deferred Taxation of Unrealised Capital Gains upon Transfer of Place of Residence from a Member State to Switzerland for Self-Employed Persons**

The Court of Justice of the EU pronounced a judgment in a case of deferred taxation of unrealised capital gains upon transfer of place of residence from an EU Member State to the Swiss Confederation for self-employed persons.

- **Amendment to the Labour Code, amending Act No. 595/2003 Coll. on Income Tax, Act No. 461/2003 Coll. on Social Insurance and Act No. 580/2004 Coll. on Health Insurance**

The National Council of the Slovak Republic adopted an amendment to the Labour Code, amending the Income Tax Act, the Social Insurance Act and the Health Insurance Act. The main changes include the determination of income considered as a wage, the remuneration of employees for work on public holidays and weekends, and the taxation method for such employee income.

- **Treaty Between the Slovak Republic and the Kingdom of Saudi Arabia on Double Taxation Avoidance with Respect to Income Taxes and Prevention of Tax Evasion**

The Slovak Republic and the Kingdom of Saudi Arabia signed a Treaty on Double Taxation Avoidance with Respect to Income Taxes and Prevention of Tax Evasion.

- **Treaty Between the Slovak Republic and the Republic of Albania on Double Taxation Avoidance with Respect to Income Taxes and Prevention of Tax Evasion**

The Slovak Republic and the Republic of Albania signed a Treaty on Double Taxation Avoidance with Respect to Income Taxes and Prevention of Tax Evasion.

Indirect Taxes:

- **Court of Justice of the European Union on VAT**

C 533/16 Volkswagen AG – Refusal of an Application for a VAT Refund Due to the Expiry of the Limitation Period

EU law must be interpreted as meaning that it precludes legislation of a Member State laying down that if VAT was charged to the taxable person and paid by it several years after supply of the goods in question, the right to claim a refund of VAT is denied on the grounds that the limitation period provided for by that legislation for the exercise of that right began to run from the date of supply and expired before the application for a refund was submitted.

C 307/16 Stanisław Pieńkowski – Exemptions on Exportation – Goods Exported in the Luggage of Travellers

Article 131, Article 146 (1) (b) and Articles 147 and 273 of Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (the “VAT Directive”) must be interpreted as precluding national legislation under which, in the context of a supply of goods for export to be carried in the personal luggage of travellers, the vendor must have attained a minimum level of turnover in the preceding tax year, or have concluded an agreement with a person authorised to refund VAT to travellers, to apply a VAT exemption in relation to that supply.

C 672/16 Imofloresmira — Investimentos Imobiliários SA – Obligation to Adjust Deducted Tax

Articles 167, 168, 184, 185 and 187 of the VAT Directive must be interpreted to the effect that they preclude national legislation which provides for the adjustment of VAT initially deducted on the ground that a property, for which the right to opt for taxation was exercised, is regarded as no longer being used by the taxable person for the purposes of its own taxed transactions, where that property has remained unoccupied for more than two years, even though it is established that the taxable person has sought to rent it during that period.

C 387/16 Nidera BV – Reduction of Default Interest Payable Due to a Late Refund of Overpaid VAT

Article 183 of the VAT Directive, read in the light of the principle of fiscal neutrality, must be interpreted as precluding a reduction in the amount of interest normally payable under national law on overpaid VAT which was not refunded in due time for reasons connected to circumstances not attributable to the taxable person, such as the high amount of that interest when compared with the amount of the overpaid VAT, the period of time during which the overpayment was not refunded and the underlying reasons for this, as well as the losses actually incurred by the taxable person.

C 159/17 Întreprinderea Individuală Dobre M. Marius – Right to Deduct VAT Relating to Purchases of Goods in the Period During which a Taxable Person's VAT Identification is Revoked

Articles 167 to 169 and 179, Articles 213 (1) and 214 (1), and Article 273 of the VAT Directive must be interpreted as not precluding national legislation which allows tax authorities to refuse a taxable person the right to deduct VAT when it is established that, on account of the alleged infringements committed by that person, the tax authorities could not have access to the information necessary to establish that the substantive requirements giving rise to the right to deduct input VAT paid have been satisfied or that that person acted fraudulently in order to enjoy that right, a matter which it is for the referring court to ascertain.

Legal:

- **Amendment to the Real Estate Register Act**

This amendment will enhance the digitalisation of the real estate register and improve its functioning, including the registration of real estate.

Accounting – IFRS:

- **Adoption of IFRS in the EU**

The EU adopted Amendments to IFRS 9 Financial Instruments on 22 March 2018: Prepayment Features with Negative Compensation, which address the classification of prepayable financial assets and clarify the recognition of financial liabilities after modification. These amendments are effective for annual periods beginning on or after 1 January 2019.

On 28 March 2018, the EU adopted IFRIC 22 “Foreign Currency Transactions and Advance Consideration” prepared by the IFRS Interpretations Committee to clarify recognition of transactions involving receipt or payment of advance consideration in a foreign currency. The interpretation is effective for annual periods beginning on or after 1 January 2018.

- **New Deloitte Publication “Revenues from Contracts with Customers – A Guide to IFRS 15”**

In March 2018, Deloitte published “Revenues from Contracts with Customers – A Guide to IFRS 15” in English. As the IASB's new revenue standard is now effective (for annual periods beginning on or after 1 January 2018 with earlier adoption permitted), this detailed guide helps entities consider the impact of the new standard.

Transfer Pricing:

- **Draft of New Disclosure Rules with Respect to the Common Reporting Standard (CRS)**
On 9 March 2018, the OECD published a draft of new disclosure rules with respect to the Common Reporting Standard (CRS).
- **Additional OECD Guidance on the Attribution of Profits to a Permanent Establishment**
On 22 March 2018, the OECD published a document on the attribution of profits to a permanent establishment in connection with BEPS Action 7.

Others:

- **Information of the Social Insurance Agency on the Assessment of the Origination of Mandatory Social Insurance and on the Calculation of Insurance Premium in the Next Year Based on the Filed Tax Return**
The Social Insurance Agency published information on its website on the assessment of the origination of mandatory social insurance and on the calculation of insurance premium based on the filed tax return.
- **Debtors: Penalty Must Be Paid After Debt Repayment**
The Social Insurance Agency published information and a warning to debtors on the obligation to pay the penalty.
- **The Social Insurance Agency Does Not Conclude Second Pension Pillar Agreements**
The Social Insurance Agency informed insured persons on its website that second pension pillar agreements need to be concluded with the relevant asset management company and not with the Social Insurance Agency.
- **The Insurance Termination Date Decisive for Sickness Benefits from the Protection Period**
The Social Insurance Agency informed that the decisive period for sickness benefit (usually the calendar year preceding the year in which a person became entitled to the sickness benefit) is assessed as at the insurance termination date, and not as at the date when the person became entitled to the benefit.
- **Preliminary Information on Draft Regulation of the Ministry of Labour, Social Affairs and Family of the Slovak Republic on Meal Allowance**
A draft Regulation of the Ministry of Labour, Social Affairs and Family of the Slovak Republic on Meal Allowance was submitted. The proposed measure is intended to increase the meal allowance for different time zones as compensation for an employee sent on a business trip, following the increase of price indices for food and non-alcoholic beverage in restaurants.

Deloitte News:

- **taxCube™**
taxCube™ is a dedicated software developed by Deloitte to substantially increase the efficiency of the preparation of regular and additional VAT returns, VAT transactions statements and EC sales lists. taxCube™ simplifies and automates the preparation of VAT reports, reduces costs the risk of errors, and shortens the time needed for the preparation of VAT reports from days to hours. taxCube™ performs a wide range of checks on imported data. taxCube™ is compatible with the IT environment and accounting procedures and methods that you use (use of exchange rates and credit notes, setup of tax codes, etc). Deloitte professionals will tailor the software to your needs. More informations at www.taxcube.sk.

- **Deloitte VAT Analytics**

Deloitte has developed a tool enabling an aggregated review of the entire set of documents that are reflected in the VAT return, EC Sales List and VAT Transactions Statement. An input for VAT Analytics is a data file from an accounting system containing detailed information about accounting documents.

A Deloitte team of VAT specialists has prepared more than 70 tests which after uploading a data file check whether VAT rules have been applied correctly and identify specific accounting documents that could be incorrect. For more informations, please contact **Ján Skorka** at jskorka@deloittece.com.

- **Maják – Automated solution to check business partners**

Experience with tax audits shows that the best defence against inadvertent involvement in tax fraud is timely and effective prevention. However, Deloitte's survey has shown that companies are not very cautious in this respect. As a result, Deloitte has developed a proprietary application, Maják, which regularly checks public registers and performs comprehensive tests of selected suppliers and customers.

Please contact **Peter Takács** at ptakacs@deloittece.com for more information.

- **Events of Deloitte in Slovakia - May, June 2018 - <http://kalendar.deloitte.sk/>**

- **Deloitte Vat Academy 2018 - 5 moduls**

- 27 April and 4, 11, 18, 25 May 2018

- Bratislava, Einsteinova 23

- [Registration](#) | [More Informations](#)

- **Planned Webcasts of Deloitte in Slovakia - May, June 2018**

- **Investment aid**

- 16 May 2018

- [Registration](#) | [Find out more](#)

- **Car as a Business Asset**

- 13 June 2018

- [Registration](#) | [Find out more](#)

- **Deloitte Legal Dbriefs**

We invite you to explore our Deloitte Legal Dbriefs – live webcasts on current legal topics.

You can explore past and upcoming Dbriefs at this link:

<http://www.deloitte.com/dbriefs/deloittelegal>

- **Dbriefs**

We invite you to explore our Deloitte Dbriefs – live webcasts on current tax topics.

You can explore past and upcoming Dbriefs at this link:

Dbriefs UK

www.ukdbriefs.com

Deloitte Europe

www.emeadbriefs.com

Global Dbriefs

[website](#)

Please contact your usual Deloitte contact person or any of the contact persons listed here if you would like our help.



Partner

Larry Human
lhuman@deloitteCE.com



Partner

Martin Rybár
mrybar@deloitteCE.com



Partner

Lúbia Dumitrescu
ldumitrescu@deloitteCE.com



Slovak accounting and IFRS

Ľudmila Buzgová
lbuzgova@deloitteCE.com



VAT and Customs

Ján Skorka
jsorka@deloitteCE.com



Taxation of Companies

Jana Farkašová
jafarkasova@deloitteCE.com



Transfer Pricing

Martin Sabol
msabol@deloitteCE.com



Korean Desk

Jin Suk Choi
jinsuchoi@deloittece.com



Taxation of Individuals

Katarína Povecová
kpovecova@deloitteCE.com



Deloitte Legal

Róbert Minachin
rminachin@deloitteCE.com



Jozef Stieranka
jstieranka@deloitteCE.com



Dagmar Yoder
dyoder@deloitteCE.com

Deloitte Tax s.r.o.
Digital Park II
Einsteinova 23
851 01 Bratislava
Slovak Republic
Tel.: +421 2 582 49 111
Fax: +421 2 582 49 222
www.deloitte.sk

Deloitte Legal s.r.o.
Digital Park II
Einsteinova 23
851 01 Bratislava
Slovak Republic
Tel.: +421 2 582 49 111
Fax: +421 2 582 49 222

Our Offices

Bratislava

Digital Park II
Einsteinova 23
851 01 Bratislava
Tel.: +421 2 582 49 111
Fax: +421 2 582 49 222

Žilina

Komenského 8854/19
010 01 Žilina
Tel.: +421 905 365 282
Fax: +421 910 828 333

Košice

BCT 2, Moldavská cesta 8/A
040 11 Košice
Tel.: +421 55 728 1811
Fax: +421 55 728 1827

taxCube™

Deloitte SK | mobile application

Newsletters | Publications | Seminars | Alerts | Videos



Deloitte.

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, any of its member firms or any of the foregoing's affiliates (collectively the "Deloitte Network") are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/sk/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, transaction advisory and legal services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte's approximately 245, 000 professionals are committed to making an impact that matters.

© 2018 Deloitte in Slovakia