

| | |
|---|------------------------|
| Jurisdiction's name: | Slovak Republic |
| Information on residency for tax purposes | |
| Section I – Criteria for Individuals to be considered a tax resident | |
| <p><i>Pursuant to the § 2 d) point 1 of the Income Tax Act No. 595/2003 Coll. as later amended (later only "Income Tax Act ") taxpayer with unlimited tax liability (tax resident) is a natural person with a permanent address in the Slovak Republic or a person that habitually stays in the territory Slovak Republic. A person habitually stays in the territory of the Slovak Republic, if he/she spends here at least 183 days in the calendar year, continually or within several periods. Every spent day of the stay (also commenced day of the stay) is included into this period.</i></p> <p><i>Pursuant to the § 2 e) point 2 of the Income Tax Act a natural person is not considered to be a taxpayer with unlimited tax liability (tax resident) if he/she habitually stays in the territory of the Slovak Republic only for the purposes of studies or medication treatment or if a natural person crosses the border into the Slovak Republic daily or in the agreed time periods only for the purposes of performance of the employment which source is in the territory of the Slovak Republic.</i></p> <p><i>Financial Directorate of the Slovak Republic published a guidance note on determination of the extent of the tax liability in the Slovak Republic (tax residence status).</i></p> <p><i>Taxpayers can find this note on the official website of the Slovak financial administration (in Slovak language only):</i> https://www.financnasprava.sk/img/pfsedit/Dokumenty_PFS/Profesionalna_zona/Dane/Metodicke_pokyny/Medzinarodne_zdanovanie/MP_k_rezidencii.pdf</p> | |
| Section II – Criteria for Entities to be considered a tax resident | |
| <p><i>Pursuant to the § 2 d) point 2 of the Income Tax Act taxpayer with unlimited tax liability (tax resident) is a legal person with a seat or a place of effective management in the territory Slovak Republic. The seat is according to the Commercial Code the address that is as the seat or place of business registered in the commercial register or in the trade register or in other recordings determined by particular law. The place of effective management is a place where key management and commercial decisions of statutory and supervisory bodies of a legal person are made, even if this address is not registered in the commercial register.</i></p> <p><i>Financial Directorate of the Slovak Republic published a guidance note on determination of the extent of the tax liability in the Slovak Republic (tax residence status).</i></p> <p><i>Taxpayers can find this note on the official website of the Slovak financial administration (in Slovak language only):</i> https://www.financnasprava.sk/img/pfsedit/Dokumenty_PFS/Profesionalna_zona/Dane/Metodicke_pokyny/Medzinarodne_zdanovanie/MP_k_rezidencii.pdf</p> | |

Section III – Entity types that are as a rule not considered tax residents

Pursuant to the Income Tax Act there are following types of entities (partnerships) that are considered to be transparent or partially transparent:

- a) verejná obchodná spoločnosť (partnership, public company limited) - Income Tax Act (§ 12 and § 14) does not treat this entity as a taxable person, e.g. the taxable persons are the partners rather than the partnership itself,*
- b) komanditná spoločnosť (societe de commandite, partnership limited) – Income Tax Act (§ 12 and § 14) treats this entity as a hybrid company e.g. as a taxable person only partially. According to the § 14 (5) of the Income Tax Act the tax base is determined for the company as a whole. From the assessed tax base is deducted a tax base allocated to partners (komplementári). Such allocated tax base is taxed by these partners (komplementári) themselves. The rest (the tax base allocated to the specific partners – komanditisti) is taxed by the partnership itself.*

Section IV – Contact point for further information

avi.biznistim@financnasprava.sk