

**Act  
No. 222/2004 Coll.  
ON VALUE ADDED TAX**

as amended by

Act No. 350/2004 Coll.  
Act No. 651/2004 Coll.  
Act No. 340/2005 Coll.  
Act No. 523/2005 Coll.  
Act No. 656/2006 Coll.  
Act No. 215/2007 Coll.  
Act No. 593/2007 Coll.  
Act No. 378/2008 Coll.  
Act No. 465/2008 Coll.  
Act No. 83/2009 Coll.  
Act No. 258/2009 Coll.  
Act No. 471/2009 Coll.  
Act No. 563/2009 Coll.  
Act No. 83/2010 Coll.  
Act No. 490/2010 Coll.  
Act No. 331/2011 Coll.  
Act No. 406/2011 Coll.  
Act No. 246/2012 Coll. and  
Act No. 440/2012 Coll.

The National Council of the Slovak Republic has resolved upon the following Act:

#### Basic Provisions

##### § 1

#### Scope of Legislation

This Act arranges the value added tax (hereinafter the „tax“).

##### § 2

#### Subject of Tax

(1) The subject of this tax is

- a) supply of goods for consideration within the territory of the country effected by a taxable person, who acts in the capacity of a taxable person,
- b) provision of a service (hereinafter the „supply of service“) for consideration within the territory of the country effected by a taxable person, who acts in the capacity of a taxable person,
- c) acquisition of goods for consideration within the territory of the country from another Member State of the European Union (hereinafter the „Member State“),
- d) importation of goods into the territory of the country.

(2) For the purposes of this Act

- a) the territory of the country shall mean the territory of the Slovak Republic,
- b) the territory outside the country shall mean the territory which is not within the country,
- c) the territory of European Union shall mean the territory of the country and the territories of other Member States, which have been defined by laws of these Member States for taxation purposes as the territory of those Member States,
- d) the territory of third countries shall mean the territory, which is not the territory of the European Union.

(3) For the purposes of this Act, taxable transactions originating in the Principality of Monaco or intended for the Principality of Monaco shall be treated as transactions originating in France or intended for France and transactions originating in the Isle of Man or intended for the Isle of Man shall be treated as transactions originating in the United Kingdom of Great Britain and Northern Ireland or intended for the United Kingdom of Great Britain and Northern Ireland.

##### § 3

#### Taxable Person

(1) A taxable person shall be any person who independently carries out any economic activity as per paragraph 2, whatever the purpose or results of that activity.

(2) An economic activity (hereinafter the „business“) shall mean any activity, from which an income is accrued and which includes the activities of producers, traders and persons supplying services including mining, construction and agricultural activities, activities carried on as a free-lance occupation in accordance with separate regulations,<sup>1)</sup> intellectual creative activity and sporting activity. Business is also considered to be the use

of tangible property and intangible property with a view to obtaining income from the property; if the property is the common property of spouses, its use with a view to obtaining income is considered to be business in equal proportion of each spouse, unless the spouses decide otherwise.

(3) The execution of activities based on an industrial relation, a state-industrial relation, function or other similar relation, when a natural person is obliged to adhere to instructions or orders creating a relation of subordination and super ordination from the point of view of conditions of the executed activities and conditions of remuneration, is not considered an independent execution of activities according to paragraph 1.

(4) Government authorities and their organizations, government funds, local government authorities and their organizations fully funded from the state budget and other legal persons that are bodies of public authority, are not considered to be taxable persons when they act in the scope of their main activity, nor when they receive payments in conjunction with that activity, with the exception of when such an activity significantly violates or may significantly violate economic competition, and with the exception when they perform activities specified in Annex 8 and such activities are not performed in a negligible scope. The administration of State Material Reserves of the Slovak Republic <sup>2)</sup> is a taxable person within the scope of the purchase and sale of state material reserves.

(5) Any person who incidentally supplies a new means of transport (§ 11(12)) from the territory of the country to another Member State and such a new means of transport is dispatched or transported to the purchaser by such a person or by the purchaser or for their account, shall be a taxable person for the purpose thereof.

## Registration Obligation

### § 4

(1) A taxable person who has his seat, place of business or fixed establishment within the territory of the country, and, in the absence of such place, who has domicile or habitual residence within the territory of the country, and who achieved a turnover of EUR 49,790 for not more than 12 preceding consecutive calendar months, shall be obliged to file a tax registration application with a tax office. A taxable person shall be obliged to file the tax registration application within the 20th day of a calendar month following the month in which he achieved the turnover in accordance with the first sentence.

(2) Taxable persons having their seat, place of business or fixed establishment within the territory of the country and who jointly do business under an association agreement<sup>3)</sup> or another similar contract (hereinafter the „association agreement“), shall be obliged to file a tax registration application, provided that they achieve a total turnover of EUR 49,790 for not more than 12 preceding consecutive calendar months. The total turnover shall include turnovers of individual persons along with a turnover from their common business. Taxable persons shall be obliged to file the tax registration application within the 20th day of a calendar month following the month in which they achieved the turnover of EUR 49,790. Where a taxable person who is not the taxpayer, concludes an association agreement with the taxpayer, he shall be obliged to file a tax registration application no later than within ten days of concluding this agreement.

(3) Concurrently with a tax registration application, taxable persons as per paragraph 2 shall be obliged to file with a tax office a written agreement of association and authorise in writing one of the members of such association with the record-keeping in accordance with § 70 on behalf of the association. A tax representative shall be obliged to present to a tax office the authorisation, the list of members of the association giving the seat or place of business and a tax office competent in terms of location for each member of the association; where such particulars are changed, the tax representative shall be obliged to notify the tax office of any such change within 20 days of its occurrence. The tax representative shall draw up invoices on behalf of the association, keep separate records on behalf of the association pursuant to § 70 and shall state the data on behalf of the association in his tax return and recapitulative statement. Members of the association shall be liable for the tax in respect of their common business jointly and severally.

(4) An application for tax registration may also be filed by a taxable person that did not reach the turnover according to sections 1 or 2. If a partner of an association conducting business jointly based on a contract of association decides to register for tax before reaching the turnover according to section 2, every partner of the association must file an application for tax registration as of the same day.

(5) If a legal entity or a natural person who has submitted the tax registration application pursuant to paragraph 1 through 4 is a taxable person pursuant to §3 and there are no grounds to dismiss the application pursuant to §4c(5), the tax office shall register that person, issue a certificate of tax registration and assign a tax identification number to that person. The tax office shall register that person within 30 days following the date of delivery of the tax registration application, and within 60 days following the date of delivery of the tax registration application where the taxable person is required to lodge a tax guarantee pursuant to §4c(1). The taxable person becomes a VAT payer on the day stated in the certificate of the tax registration (hereinafter the “taxpayer”).

(6) A legal entity or a natural person who acquires within the territory of the country the taxpayer's enterprise or part of enterprise constituting an independent organisational branch in accordance with a separate regulation<sup>4)</sup> shall also become the taxpayer, namely from the day of acquiring the enterprise or its part. A taxable person, provided that he is a legal successor to the taxpayer wound up without liquidation shall also become the taxpayer, namely from the day of becoming the legal successor. A taxable person that supplies a construction, a part thereof or a building land or receives a payment prior to such a supply shall also become the taxpayer as of that day which comes earlier, if the supply is to reach a turnover pursuant to paragraph 1, with the exemption of the supply of a construction, a part thereof or a building land which are exempt from the tax pursuant to §38(1). Such taxpayers shall be obliged to notify a tax office of the grounds based on which they became the taxpayers, within ten days of their occurrence. The tax office is obliged to register the taxpayer, to issue the certificate on tax registration to it and immediately to assign an identification tax number to the taxpayer, no later than seven days after receipt of a notification of the fact, based on which the person has become a taxpayer.

(7) For the purposes of this Act, a fixed establishment shall mean a permanent place of business, which is staffed and equipped as required for the pursuit of business.

(8) For the purposes of this Act, domicile shall mean the address of permanent residence of a natural person within the territory of the country and, for a natural person not having a permanent residence within the territory of the country; the domicile shall mean his permanent residence outside the country.

(9) For the purpose of this Law, turnover is considered to be proceeds (income) excluding tax from products and services delivered in the Slovak Republic, except for proceeds (income) from product and services that are exempt from tax according to sections 28 to 36 and according to sections 40 to 42. The revenue (income) from insurance services, which is exempt from the tax under § 37, and from financial services, which is exempt from the tax under § 39, shall not be included in the turnover, provided that such services are rendered on supply of goods or services as ancillary services. The turnover shall not include the revenue (income) from incidentally sold tangible property except for inventories and the revenue (income) from incidentally sold intangible property.

#### § 4a

(1) More taxable persons who have their seat, place of business or fixed establishment within the territory of the country and are connected financially, economically and organisationally (hereinafter the "member of the group", may be deemed as a single taxable person (hereinafter the "group").

(2) Financially connected taxable persons are persons, one or more of which is(are) controlled by a controlling person.<sup>4a)</sup>

(3) Economically connected taxable persons are persons, the principal activities of which are mutually dependent or who share a common economic objective or one of them operates, in whole or in part, activities that are beneficial to one or more members of the group.

(4) Organisationally connected taxable persons are persons, if in their management or control participates at least one identical person.

(5) A taxable person may be a member of one group only. If the seat, place of business or fixed establishment of the taxable person, who is a member of a group, is located outside the territory of the country, such units located outside the territory of the country may not constitute part of the group. Member of a group may not be a party to the association agreement pursuant to § 4(2). Membership in a group is prohibited for a taxable person on which the petition for bankruptcy has been filed or to whom restructuring has been permitted.

#### § 4b

(1) Members of a group may apply for the tax registration of the group (hereinafter the "registration of the group"). The application for the registration of the group shall contain:

a) business name and address of the seat, place of business or fixed establishment of each member of the group,

b) tax identification number of each member of the group, if such number has been assigned in the territory of the country,

c) tax office locally competent for each member of the group,

d) business name and address of the seat, place of business or fixed establishment of the member of the group who was appointed by members of the group to represent it in issues concerning the application of this tax (hereinafter the "group representative"),

e) signatures of the statutory representatives of all members of the group.

(2) The application for the registration of the group shall be submitted to the tax office which is locally competent for the group representative. If the taxable persons prove their compliance with conditions under § 4a, the tax office shall register the group, assign a tax identification number to the group and issue a tax registration certificate to each member of the group. The group becomes a taxpayer as of the date of its registration, whereby tax registration certificates and tax identification numbers of the individual members of the group shall cease to be valid. The members of the group are obliged to return the tax registration certificates to the tax office within ten days after the registration of the group. The group falls under local jurisdiction of the tax office, in the district of which the group representative's seat, place of business or fixed establishment is located.

(3) The tax office shall register the group as of 1 January of the calendar year following the day on which the application for the registration of the group was submitted. Where the application for the registration of the group is submitted after 31 October of a calendar year, the tax office shall register the group as of 1 January of the second calendar year following the submission of the application.

(4) The group representative shall act on behalf of the group. The rights and obligations of the individual members of the group arising from this Act are transferred to the group as of the date of its registration. The members of the group are jointly and severally liable, in respect of the period of membership in the group, for the group's obligations arising from this Act and a separate regulation<sup>33)</sup>; such liability shall survive the dissolution of the group or withdrawal of a member from the group. The tax office may request the payment of the outstanding tax amount and sanctions related to the breach of group's obligations under this Act and a separate regulation<sup>33)</sup> from any member of the group.

(5) A member of the group may also be any other taxable person as long as such person meets the conditions under § 4a. Application for a change of group registration due to a new member joining the group shall be filed by the group representative. If the application is submitted by 31 October of a calendar year, the tax office shall change the registration of the group as of 1 January of the calendar year following the submission of the application for a change of group registration. If the application is submitted after 31 October of a calendar year, the tax office shall change the registration of the group as of 1 January of the second calendar year following the submission of the application for a change of group registration. The tax registration certificate and tax identification number of the joining member shall expire as of the date of group registration change. The member who joined the group is obliged to return the tax registration certificate to the tax office within ten days after the day of change of group registration. The rights and obligations hereunder of the taxable person who joined the group are transferred to the group on the day of change of the group registration.

(6) Where a member of the group decides to withdraw from the group or is required to withdraw from the group because the conditions under §4a are no longer met, the group representative shall be obliged to submit an application for a change of group registration immediately. The change of group registration shall be performed by the tax office no later than 30 days following the submission of the application for a change of group registration. The tax office locally competent for the withdrawing member of the group shall, as of the day of change of group registration, issue a tax registration certificate and assign a tax identification number to the withdrawing member of the group. The rights and obligations of the group arising from this Act are transferred to the withdrawing taxable person as of the day of change of group registration, in so far as they relate to taxable transactions effected and received by this taxable person.

(7) If any member of the group is wound up without liquidation, and the assets of such member of the group are transferred to the legal successor, the group representative is obliged to submit an application for a change of group registration immediately. If the legal successor meets the conditions under § 4a, the tax office shall change the registration of the group as of the day of legal successor's incorporation in the Commercial Register. If the legal successor fails to meet the conditions under § 4a, the rights and obligations hereunder of the group member who wound up without liquidation are transferred to his legal successor in so far as they relate to taxable transactions effected and received by the group member

who was wound up, as of the day on which such a member of the group wound up without liquidation; the tax office shall, as of the day of change of group registration, issue a tax registration certificate and assign a tax identification number to the legal successor.

#### §4c

##### Tax guarantee

(1) The taxable person that has filed a tax registration application pursuant to §4(1) through (4) is required to lodge a tax guarantee in the form of a cash deposit made to the account of the tax office, or in the form of a bank guarantee provided by a bank<sup>4b)</sup> without reservations for a period of 12 months at disposal of the tax office in the amount of the tax guarantee required (hereinafter the "tax guarantee"), if

a) that taxable person is a natural person that is or was an executive officer or a member of a legal entity

1. which has, or had at the date of its dissolution, tax arrears in excess of EUR 1,000 which accumulated over the period for which that natural person was an executive officer or member of that legal entity, and which have not been paid by the date of submission of the tax registration application;

2. whose registration for tax purposes was cancelled pursuant to §81(4)(b)(2) and the circumstances that constituted the grounds for the cancellation of the registration for tax purposes occurred over the period for which that natural person was an executive officer or member of that legal entity;

b) the executive officer or member of that taxable person is a natural person that has tax arrears in excess of EUR 1,000 which have not been paid by the date of submission of the tax registration application, or whose registration for tax purposes was cancelled pursuant to §81(4)(b)(2);

c) the executive officer or member of that taxable person is a natural person or legal entity that is or was an executive officer or member of another legal entity

1. which has, or had at the date of its dissolution, tax arrears in excess of EUR 1,000 which accumulated over the period for which that natural person or legal entity was its executive officer or member, and which have not been paid by the date of submission of the tax registration application;

2. whose registration for tax purposes was cancelled pursuant to §81(4)(b)(2) and the facts that constituted the grounds for the cancellation of the registration for tax purposes occurred over the period for which that natural person or legal entity was its executive officer or member;

d) that taxable person does not supply goods or services at the time of submission of the tax registration application, but performs business start-up activities only.

(2) The tax office shall issue a decision specifying the amount of the tax guarantee applicable to the applicant for registration referred to in paragraph 1, which shall not be less than EUR 1,000 and more than EUR 500,000. When determining the amount of the tax guarantee, the tax office shall take into consideration the risk of occurrence of tax arrears by the taxable person. The applicant for registration is required to lodge the tax guarantee within 20 days of the delivery of the decision on the lodging of tax guarantee.

(3) The applicant for registration may file an appeal against the decision on the lodging of tax guarantee within eight days of the delivery of the decision on the lodging of tax guarantee. The appeal against the decision on the lodging of tax guarantee has no suspensory effect.

(4) Where the applicant for registration referred to in paragraph 1(a) through (c) that has filed the tax registration application pursuant to §4(1) through (3) fails to lodge the tax guarantee within the period pursuant to paragraph 2 or lodges the tax guarantee in a lesser amount than required, the tax guarantee shall be enforced through application of provisions of a separate regulation. 4c)

(5) Where the applicant for registration referred to in paragraph 1 files the tax registration application pursuant to §4(4) and fails to lodge the tax guarantee within the period pursuant to paragraph 2 or lodges the tax guarantee in a lesser amount than required, the tax office shall dismiss the tax registration application and return, without delay, to the applicant for registration the tax guarantee lodged in the form of a cash deposit made to the account of the tax office.

(6) The tax guarantee will be used to settle any tax arrears that occur after the registration of the taxable person as a taxpayer. The use of the tax guarantee or its part shall be specified in a decision issued by the tax office. An appeal may be filed against the decision; the appeal has no suspensory effect.

(7) If the tax guarantee or its part has not been used to settle tax arrears within a period of 12 months following the day on which the tax guarantee was lodged, the tax office shall return the tax guarantee or its part, lodged in the form of a cash deposit made to the account of the tax office, within 30 days of the day of on which the period of 12 months following the day on which the tax guarantee was lodged has lapsed. In such case, the tax administrator shall reasonably apply a procedure pursuant to a separate regulation<sup>4d)</sup> before returning the tax guarantee.

(8) The taxpayer is not entitled to any interests on the tax guarantee lodged.

#### § 5

(1) A taxable person not having the seat, place of business, fixed establishment, domicile or habitual residence within the country (hereinafter referred as a "foreign person") must file an application for tax registration at the Tax Office Bratislava before commencing an activity that is subject to tax. The application for tax registration does not have to be filed by a foreign person delivering (rendering) only

a) transport services and related supplementary services that are exempt from tax according to section 47 par. 6, 8, 10 and 12 and section 48 par. 8,

b) transport services and products including installation or assembly, and person liable for payment of tax is the receiver (section 69 par. 2 to 4),

c) goods pursuant to §13(1)(e) and (f), and person liable for payment of tax is the taxpayer or person registered for tax according to section 7 or 7a (section 69 par. 9),

d) goods from the territory of the country to another Member State, imported from the territory of third country, and the foreign person was represented by a tax representative according to section 69a, or

e) goods within trilateral transaction according to section 45, where the person participates as the first customer.

(2) The Tax Office Bratislava is obliged to register the foreign person in accordance with paragraph 1, to issue the certificate on tax registration to it and immediately to assign an identification tax number to the taxable person, no later than seven days after receipt of the application for tax registration. The foreign person becomes a taxpayer on the day stated in the certificate on tax registration; this day shall not be later than 31 days after receipt of the application for tax registration.

## § 6

(1) Where a foreign person supplies goods within the territory of the country in the form of distance selling, and the total value, excluding the tax, of the goods so supplied reaches EUR 35,000 in a calendar year, such a foreign person shall be obliged to file a tax registration application with the Tax Office Bratislava, prior to supply of goods, whereby he reaches the value of EUR 35,000.

(2) Where a foreign person supplies goods subject to excise duty via distance selling to a natural person for personal consumption into the territory of the country, he shall be obliged to file a tax registration application with the Tax Office Bratislava prior to supply of such goods.

(3) A foreign person as per paragraph 1 may file a tax registration application also in the event that the value of goods supplied into the territory of the country does not reach EUR 35,000 in a calendar year.

(4) The Tax Office Bratislava is obliged to register the foreign person in accordance with paragraphs 1 to 3, to issue the certificate on tax registration to it and immediately to assign an identification tax number to the taxable person, no later than seven days after receipt of the application for tax registration. The foreign person becomes a payer on the day stated in the certificate on tax registration; this day shall not be later than 31 days after receipt of the application for tax registration.

(5) For the purposes of this Act, distance selling shall be supply of goods that have been dispatched or transported by the supplier or for his account from a Member State other than the Member State wherein the dispatch or transport of goods ends, and the customer shall be a person with no tax identification number assigned thereto, except cases concerning new means of transport and goods supplied with installation or assembly by the supplier or for his account. Where the supplied goods are dispatched or transported from the territory of a third country and imported by the supplier into a Member State other than the Member State wherein the dispatch or transport of goods to the customer ends, such goods shall be considered as dispatched or transported from the Member State of importation. Where concerned is supply of goods subject to excise duty, the supply of such goods shall constitute distance selling only in the event that they have been supplied to natural persons for personal consumption.

(6) The goods subject for the purposes of this Act to excise duty, mean goods subject to excise duty as specified in excise duty laws<sup>5)</sup>, with the exception of gas supplied by means of a natural gas system located in the territory of the European Union, or a network connected to such a system and electricity.

## § 7

(1) Where a taxable person who is not the taxpayer or a legal entity who is not the taxpayer acquires goods from another Member State within the territory of the country, he shall be obliged to file with a tax office a tax registration application prior to the acquisition of the goods, whereby the total value of goods acquired from other Member States, excluding the tax, reaches EUR 13,941.45 in a calendar year.

(2) A tax registration application may be filed by a person under paragraph 1 also in the event that the value of goods acquired from other Member States, excluding the tax, does not reach EUR 13,941.45 in a calendar year.

(3) The tax office must register the person according to sections 1 and 2 for tax, issue a certificate of tax registration, and allocate a tax identification number to the person without delay, within seven days from the day that the application for tax registration was delivered at the latest.

(4) The tax registration application shall not be filed if the taxable person is registered for tax pursuant to §7a.

### §7a

(1) Where a taxable person who is not a taxpayer is the recipient of a service from a foreign person from another Member State in respect of which the taxable person is liable to pay tax under §69(3), the taxable person shall file a tax registration application with the tax office prior to the receipt of service; the taxable persons registered for tax purposes pursuant to §7 do not file tax registration application.

(2) Where a taxable person who is not a taxpayer and has a seat, place of business, fixed establishment, domicile or habitual residence in the territory of the country, supplies a service with the place of supply under §15(1) located in another Member State, and the recipient of that service is a person liable to pay the tax, the taxable person shall file a tax registration application with the tax office prior to the supply of service; the taxable persons registered for tax purposes pursuant to §7 do not file tax registration application.

(3) The tax office shall register the persons referred to in paragraph (1) or (2) for tax, issue a certificate of tax registration, and allocate a tax identification number to such persons no later than within seven days of the delivery of the tax registration application.

## Taxable Transactions

## § 8

### Supply of Goods

(1) Supply of goods shall be

- a) the transfer of the right to dispose of tangible property as its owner, unless provided otherwise hereunder; for the purposes of this Act, the tangible property shall be movables and immovables, as well as electricity, gas, water, heat, refrigeration and similar intangibles, banknotes and coins, if these are sold for collectors' purposes at a price other than their nominal value or at a price other than their nominal value converted to the euro at a reference exchange rate determined and announced by the European Central Bank or by the National Bank of Slovakia<sup>5a)</sup> on the day preceding the day of the sale of banknotes and coins,
- b) the supply of a structure or its part under a contract for work or another business contract,
- c) the delivery of goods based on a lease agreement under which ownership title to the subject-matter of the lease agreement is acquired, at the latest, upon the payment of the last instalment.

(2) Supply of goods shall also be the transfer of an ownership right to tangible property for reward or consideration on the basis of a decision issued by a government authority or under the law.

(3) Where the taxpayer supplies goods for his personal consumption, supplies goods for personal consumption of his staff, supplies goods free of charge or supplies goods for another purpose but business and where, on purchase or self-generation of such goods, the tax was fully or partly deductible, such supply of goods shall be considered as supply for consideration. The free-of-charge supply of goods for business purposes whose value does not exceed EUR 16.60 per article, tax excluded, and the supply of free business samples shall not be considered as supply for consideration.

(4) Transfer of goods owned by a taxable person from the territory of the country to another Member State shall also be considered as supply of goods, provided that such goods have been dispatched or transported thereby or for his account to another Member State for business purposes. Such a transfer is considered as delivery of goods for consideration, except for the transfer of goods:

- a) for the purposes of their installation or assembly by a taxable person or for his account in a Member State, in which the dispatch or transport of goods ends,
- b) for the purposes of distance selling of such goods by a taxable person in a Member State, in which the dispatch or transport of goods ends,
- c) for the purposes of supply of goods on board aircraft, ships or trains during passenger transport within the territory of the European Union,
- d) intended for export of goods to third countries,
- e) goods intended to be exported to another Member State by this taxable person, provided that the supply of such goods in a Member State, in which the dispatch or transport of goods ends, is exempt from the tax,
- f) for the purposes of valuation of goods or for the purposes of reworking, processing, repair or other similar activities physically carried out on such goods for this taxable person in a Member State, in which the dispatch or transport ends, under the assumption that upon the completion of these operations, the goods are returned to the territory of the country,
- g) for temporary use of such goods in a Member State, in which the dispatch or transport of goods ends, for the purposes of services to be rendered by this taxable person,
- h) for temporary use over a period not exceeding 24 months within the territory of another Member State, in which the importation of the same goods from the territory of a third country would be considered as release for temporary use with the full exemption from an import duty,
- i) for the purpose of supplying gas by means of a natural gas system located in the territory of the European Union, or a network connected to such a system, supplying electricity and supplying heat or refrigeration by means of heating or cooling networks pursuant to §13(1)(e) and (f).

(5) At the moment when any of the conditions in accordance with paragraph 4 letters a) to i) cease to be met, such a transfer of goods is considered a delivery of goods for consideration.

(6) If a taxable person procures the purchase or sale of goods on the basis of a consignment or a similar contract, under which he acts in his own name for another person's account (hereinafter the „consignment contract“) it shall hold that such a taxable person purchases or sells the goods.

(7) The submission of movable tangible property by a tax payer, based on the contract of lease with the agreed right to purchase the leased object, is considered a delivery of goods if the take over of the object of lease is considered to be acquisition of goods from another member state in the member state of the lessor, which is subject to the tax.

## § 9

### Supply of Service

(1) Supply of service shall be any performance, which is not supply of goods in accordance with § 8, including

- a) transfer of the right to intangible property, including the provision of a right to industrial or another intellectual property,
- b) the provision of a right to use tangible property,
- c) the assumption of an obligation to refrain from an act or to tolerate an act or situation,
- d) a service supplied on the basis of an authorisation or decision issued by a government authority or in pursuance of the law.

(2) The use of tangible property owned by the taxpayer, at the purchase or self-generation of which the tax has fully or partly been deductible, for personal consumption of the taxpayer or his staff or for a purpose other than the taxpayer's business shall be considered as supply of service for consideration, with the exception of the use of property in respect of which tax was deducted in accordance with §49(5) or §49a within the scope of using the property for business purposes or the deducted tax was adjusted pursuant to §54a.

(3) Supply of a service made free of charge, other than the one under paragraph 2 for personal consumption of the taxpayer or his staff or a purpose other than the taxpayer's business shall be considered as supply of service for consideration, with exception of the service supplied free of charge to a delegating institution or to an acceptant of the volunteer activity under a separate act<sup>5aa)</sup>.

(4) If a taxable person procures supply of a service in his own name for another person, it shall hold that this taxable person has himself received and supplied the service.

## § 10

(1) The sale of an enterprise or of its part forming a separate organisational branch<sup>4)</sup> and the investment of an enterprise or of its part forming a separate organisational branch as a non-monetary contribution towards a business corporation or a co-operative shall not be considered as supply of goods and supply of a service, provided that the acquirer is the taxpayer or becomes the taxpayer in accordance with § 4(6), except for cases where the acquirer solely or prevaillingly supplies goods and services exempt from the tax under §§ 28 to 41; this exemption does not apply to the sale or investment of an enterprise or its part by the taxpayer who solely or prevaillingly supplies goods and services exempt from the tax under §§ 28 to 41.

(2) The following is not considered to be the supply of services

- a) the issuing of a security by the issuer,
- b) the assignment of a receivable,
- c) the achievement of interest from financial means in a bank account, if the taxpayer is not a bank.

## § 11

### Acquisition of Goods in the Territory of the Country from Another Member State

(1) For the purposes of this Act, the acquisition of goods within the territory of the country from another Member State shall mean the acquisition of the right to dispose as owner of movable tangible property dispatched or transported to the acquirer by the supplier or the acquirer or for their account into the territory of the country from another Member State. The acquisition of goods as specified in the foregoing sentence means also the receipt of goods under a hire-purchase agreement if, in a Member State of the lessor, the delivery of the subject-matter of the lease is considered a tax-exempt supply of goods to another Member State.

(2) The acquisition of goods within the territory of the country from another Member State shall be subject to the tax, provided that

- a) the acquirer is a taxable person, who acts in the capacity of a taxable person, a legal entity who is not a taxable person or a foreign person identified for tax purposes in another Member State, and
- b) the supplier is a person identified for tax purposes in another Member State who supplied goods for consideration, except for supply of goods with installation or assembly by the supplier or for his account and except for supply of goods via distance selling.

(3) Also subject to the tax shall be the acquisition by any person of a new means of transport for consideration within the territory of the country from another Member State. The take-over of a new transport vehicle, based on the contract of lease with the agreed right to purchase the leased object, is considered to be the acquisition of a new transport vehicle in accordance with the first sentence if the submission of the object of lease is considered to be the supply of goods to another member state in the member state of the lessor, which is exempted from the tax.

(4) The acquisition of goods within the territory of the country from another Member State shall not be subject to the tax, provided that

- a) the supply of such goods within the territory of the country would be exempt from the tax under § 47 (7 to 10).
- b) the acquirer is a taxable person who is not the taxpayer and who is not registered for taxation purposes under § 7 or a legal entity who is not a taxable person and who is not registered for taxation purposes under § 7, and at the same time the total value of the goods acquired has not reached EUR 13,941.45 over the previous calendar year and will not reach this value in the current calendar year either.

(5) The provision of paragraph 4 subparagraph b) shall not apply to the acquisition of goods which are subject to excise duty, where under a separate regulation<sup>5)</sup> the liability to pay the excise duty within the territory of the country is incurred by the acquirer.

(6) The value of EUR 13,941.45 as per paragraph 4 subparagraph b) shall include the total value of the goods acquired, excluding the tax payable or paid in a Member State, from which the goods have been dispatched or transported; this value shall not include the value of new means of transport and the value of goods subject to excise duty.

(7) The acquirer as per paragraph 4 subparagraph b) may decide to tax the acquisition of goods before reaching the value of EUR 13,941.45 and he shall notify a tax office of this decision of his in writing when filing a tax registration application (§ 7). The acquirer shall be obliged to apply such taxation of the goods for a period of at least two calendar years.

(8) Considered as the acquisition of goods for consideration within the territory of the country from another Member State shall also be the use of such goods by a taxable person for the purposes of his business, which have been dispatched or transported by himself or for his account to the territory of the country from a Member State, in which a taxable person has, as part of his business, produced, extracted, processed, purchased, acquired these goods from another Member State or imported from the territory of a third country, provided that the relocation of the goods from the territory of the country to another Member State was considered as supply of goods for consideration in accordance with § 8(4).

(9) The acquisition of goods for consideration within the territory of the country from another Member State also includes the allocation of goods to armed forces of a State, which is a party to the North Atlantic Treaty, for their use or for use by civilian staff accompanying them, provided that such goods have not been purchased in accordance with the general rules on taxation in the Member State of allocation, and provided that the importation of these goods was not exempt from tax pursuant to §48(6).

(10) Where goods acquired by a legal entity who is not a taxable person are dispatched or transported from the territory of a third country and imported by this person to another Member State and the place of destination of the goods dispatched or transported is the territory of the country, such goods shall be considered as dispatched or transported from the Member State of importation.

(11) For the purposes of paragraph 12, a means of transport shall be

- a) a land motor vehicle with the engine displacement of more than 48 cm<sup>3</sup> or the power greater than 7.2 kW intended for passenger and freight transport,
- b) a vessel longer than 7.5 m intended for passenger and cargo transport, with the exception of a sea-going vessel exempt from the tax under § 47(8),

c) an airplane whose take-up weight is greater than 1 550 kg, intended for passenger and cargo transport, with the exception of an airplane exempt from the tax under § 47(10).

(12) For the purposes of this Act, a new means of transport shall be

- a) a land motor vehicle in accordance with paragraph 11(a), provided that it has not travelled more than 6 000 km or, at the time of its supply, six months have not yet lapsed since its first introduction in operation,
- b) a vessel as per paragraph 11(b), provided that it has not been used on waters for more than 100 hours or, at the time of its supply, three months have not yet lapsed since its first introduction in operation,
- c) an airplane as per paragraph 11(c), provided that it has not yet flown more than 40 operating hours or, at the time of its supply, three months have not yet lapsed since its first introduction in operation.

(13) For the purposes of this Act, a person identified for tax purposes in another Member State shall be a person to whom the tax identification number has been assigned in another Member state and Member state that issued this tax identification number can be identified by this number.

## § 11a

Acquisition of goods from other Member States within the territory of the country in special cases

(1) The transfer of goods sent or transported from another member state to the territory of the country by a foreign person identified for tax in another Member State or for his account, and goods stored in a warehouse in the territory of the country in order to be consequently supplied to a single taxpayer is considered as the acquisition of goods from another Member State within the territory of the country by the taxpayer and the taxpayer is obliged to pay goods acquisition tax for the goods from another Member State acquired within the territory of the country, if

- a) the foreign person is not a taxpayer according to this Act,
- b) the taxpayer, for whom the goods are stored in the warehouse, is known since the beginning of dispatch or transport,
- c) goods for a single taxpayer are stored in the warehouse,
- d) the taxpayer shall notify the tax office, in advance and in writing, of the fact that he is the person obliged to pay the goods acquisition tax for the goods from another Member State within the territory of the country in this special case.

(2) A foreign person who does not meet the requirement under paragraph 1(a) and who is a taxpayer only on grounds of the acquisition of goods in the territory of the country from another Member State under § 11(8) and its subsequent supply, may agree with a taxpayer for whom the goods are stored in the warehouse in the territory of the country on the procedure referred to in paragraph 1, and the taxpayer for whom the goods are stored in the warehouse in the territory of the country must notify the tax office in writing of a tax period in which the procedure under paragraph 1 is applied for the first time. The foreign person is obliged to request the deletion of its tax register entry not later than on the date of submission of the tax return for the tax period in which the last tax liability arose on supply of goods relocated to the territory of the country prior to the application of the procedure under paragraph 1.

## § 12

Importation of Goods

Importation of goods shall mean the entry of goods into the territory of the European Union from the territory of third countries. As regards importation of goods into the territory of the country, the tax shall abide by the provisions of customs regulations, unless provided otherwise hereunder.

Place of Taxable Transaction

## § 13

Place of Supply of Goods

(1) The place of supply of goods,

- a) where the supply of goods is associated with dispatch or transport of the goods, shall be the place where the goods are at the time of the dispatch or transport to the person to whom the goods are to be supplied begins, save as exceptions pursuant to subparagraph b), paragraph 2 and § 14,
- b) where the supply of goods is associated with their installation or assembly by the supplier for his account, shall be the place where the goods are installed or assembled,
- c) if the goods are not dispatched or transported, shall be the place where the goods are when the supply takes place,
- d) when goods are supplied on board of aircraft, ship and trains during a part of passenger transport within the territory of the European Union, shall be the place where the passenger transport begins,
- e) in the event of supplying gas through a natural gas system located in the territory of the European Union, or a network connected to such a system, and in the event of supplying electricity and supplying heat or refrigeration by means of heating or cooling networks to the trader, the place of supply of goods is the trader's seat, place of business or the fixed establishment for which the goods are supplied, or if the trader does not have such a place, the place of supply of goods is his domicile or the place of habitual residence; for the purposes of this provision, the trader is a taxable person whose main activity in respect of the gas, electricity, heat or refrigeration purchased lies in their further sale, with its own consumption of these goods negligible.
- f) in the event of supplying gas through a natural gas system located in the territory of the European Union, or a network connected to such a system, and in the event of supplying electricity and supplying heat or refrigeration by means of heating or cooling networks to a person other than the trader pursuant to (e) above, the place of supply of goods is the place where the customer actually utilises and consumes these goods; if the customer does not actually consume the goods or part thereof, the non-consumed goods are considered as utilised and consumed in the place of



the customer's seat, place of business or the fixed establishment, for which the goods are supplied, or if the customer does not have such a place, the place of supply of goods is his domicile or the place of habitual residence.

(2) If the dispatch or transport of goods begins within the territory of a third country, the Member State of importation shall be considered as the place of supply of goods by the importer (§ 69(8)) and as the place of eventual subsequent supplies of these goods.

(3) For the purposes of paragraph 1 subparagraph d), part of a transport of passengers effected in the European Union shall be deemed to be the part of the transport effected, without a stop in a third territory, between the point of departure and the point of arrival of the transport of passengers. The point of departure of the transport of passengers shall be considered as the first point of passenger embarkation foreseen within the Community. The point of arrival of the transport of passengers shall be considered as the last point of disembarkation of passengers foreseen within the Community. In the case of a return trip, the return leg shall be considered to be a separate transport for the purposes of determining the place of supply of goods.

#### § 14

##### Place of Supply of Goods in Respect of Distance Selling

(1) The place of supply of goods in the case of distance selling, where the goods are supplied from another Member State into the territory of the country, shall be the territory of the country except for cases where the value of goods supplied into the territory of the country, excluding the tax, does not reach EUR 35,000 in a calendar year. If through the supply of goods, the supplier does not reach the value of EUR 35,000 in a calendar year, he may choose the territory of the country as the place of supply of goods, which shall be the place of supply of goods for at least next two consecutive calendar years.

(2) The place of supply of goods in respect of distance selling, where the goods are supplied from the territory of the country into another Member State, shall be the Member State, in which the dispatch or transport of goods ends, provided that the value of goods supplied in a calendar year reaches the level fixed by this Member State or provided that the supplier chooses this Member State as the place of supply of goods.

(3) The place of supply of goods in respect of distance selling, which is subject to excise duty, shall be the place where the goods are situated at the time when their dispatch or transport to the purchaser ends.

##### Place of Supply of Service

#### §15

(1) The place of supply of a service to a taxable person acting as such shall be the place where that person has a seat or place of business and, if the service is provided to the fixed establishment of a taxable person, the place of supply shall be the place where that person's fixed establishment is located. If the taxable person who receives such service has no seat, place of business or fixed establishment, the place of supply shall be that person's domicile or habitual residence.

(2) The place of supply of a service to a person other than the taxable person shall be the place where the service supplier has a seat or place of business and, if a service is supplied from the fixed establishment of a service supplier, the place of that fixed establishment shall be the place of supply. If the service supplier has no seat, place of business or a fixed establishment, the supplier's domicile or habitual residence shall be the place of supply.

(3) Unless §16 provides otherwise, the place of supply of a service shall be determined according to paragraph (1) or (2).

(4) For the purposes of determining the place of supply of a service pursuant to paragraphs (1) and (2) and §16:

- (a) a taxable person which also performs activities that are not subject to tax pursuant to paragraphs (1)(a) or (b) of §2 shall be deemed taxable person in respect of all services supplied to it;
- (b) a legal person which is not a taxable person and which is identified for tax purposes shall be deemed taxable person.

#### § 16

(1) The place of supply of services connected with immovable property, including the services of estate agents and of experts, accommodation services, the granting of rights to use immovable property and services for the preparation and coordination of construction work, such as the services of architects and of persons providing on-site supervision, shall be the place where the immovable property is located.

(2) The place of supply of a service consisting in short-term hiring of a means of transport shall be the place where the means of transport is actually put at the disposal of the customer; "short-term hiring" shall mean the continuous possession or use of the means of transport throughout a period of not more than 30 days and, in the case of vessels, not more than 90 days. In the case of hiring a means of transport other than the short-term hiring to a person other than a taxable person, the place of supply of a service is the place of seat, domicile or habitual residence of that person, with the exemption of hiring of a pleasure boat in case of which the place of supply of a service is the place where the pleasure boat is physically handed over to the customer, provided that the supplier has its seat or establishment at that place.

(3) The place of supply of cultural, artistic, sporting, scientific, training, educational, entertainment and similar services, such services at fairs and exhibitions including their organisation and the ancillary services related thereto and admission to these events, if such services are supplied to a person other than the taxable person, shall be the place where such services are physically rendered. If services related to the admission to cultural, artistic, sporting, scientific, educational, entertainment and similar services, such as services at fairs and exhibitions, and the ancillary services related to such admission, are supplied to the taxable person, the place of supply of such services is the place where these events actually take place.

(4) The place of supply of passenger transport shall be the place where the transport takes place and, if the transport takes place in more than one state, it shall be deemed supplied in those states in proportion to the distances covered.

(5) The place of supply of the transport of goods between Member States to persons other than taxable persons shall be the place of departure of the transport of goods.

(6) The place of supply of the transport of goods, other than the transport of goods between Member States pursuant to paragraph (7), to persons other than taxable persons, shall be the place where the transport takes place and, if the transport takes place in more than one state, it shall be deemed supplied in those states in proportion to the distances covered.

(7) For the purposes of paragraphs (5) and (6):

(a) the transport of goods between Member States shall mean the transport of goods in respect of which the place of departure and the place of arrival are situated within the territories of two different Member States;

(b) the place of departure of the transport of goods shall mean the place where the goods transport actually begins, irrespective of the distances covered to reach the place where the goods are located;

(c) the place of arrival of the transport of goods shall be the place where the goods transport actually ends.

(8) The place of supply of ancillary transport services, such as loading, unloading, handling and similar activities, if such services are supplied to persons other than taxable persons, shall be the place where such services are physically carried out.

(9) The place of supply of services consisting of the valuations of and work on movable tangible property, if such services are supplied to persons other than taxable persons, shall be the place where such services are physically carried out.

(10) The place of supply of restaurant and catering services, other than the restaurant and catering services referred to in paragraph (11), shall be the place where such services are physically provided.

(11) The place of supply of the restaurant and catering services which are physically provided on board of ships, aircraft or trains during the section of a passenger transport operation within the European Union shall be the place where the passenger transport begins.

(12) For the purposes of paragraph (11), the section of a passenger transport operation effected within the European Union shall mean the section between the point of departure and the point of arrival of the passenger transport operation without a stopover outside the European Union. The point of departure of a passenger transport operation shall mean the first scheduled point within the European Union for passenger embarkation, including after a stopover outside the European Union, where applicable. The point of arrival of a passenger transport operation shall mean the last scheduled point of disembarkation within the European Union of passengers who embarked in the European Union, including before a stopover outside the European Union, where applicable. In the case of a return trip, the return leg shall be considered to be a separate transport for the purposes of determining the place of the service supply.

(13) The place of supply of a service consisting of the mediation of goods or services by a person acting in the name and for the account of another person, supplied to a person other than taxable person, shall be the same as the place of supply or acquisition of goods or services that are subject to mediation.

(14) The place of supply of electronically supplied services, provided to persons other than taxable persons by a taxable person whose seat, place of business or fixed establishment from which the services are supplied is located outside the European Union or, in the absence of such a seat, place of business or fixed establishment, who has a domicile or habitual residence outside the European Union, shall be the place where the recipient of the service has his seat, domicile or habitual residence. The communication via electronic mail between the supplier and customer of a service shall not be deemed a service supplied electronically.

(15) The place of supply of telecommunications services and radio and television broadcasting services, provided by a taxable person whose seat, place of business or fixed establishment from which the service is provided is located outside the European Union or, in the absence of such a seat, place of business or fixed establishment, who has a domicile or habitual residence outside the European Union, to a person other than taxable person who has his seat, domicile or habitual residence within the territory of the country, shall be the territory of the country provided that the service is effectively used and enjoyed within the territory of the country.

(16) The place of supply of the services referred to in paragraph (17), including the adoption of an obligation to refrain from their pursuit or exercise, in whole or in part, where such services are supplied to a person other than taxable person who has a seat, domicile or habitual residence outside the European Union, shall be the place where that person has a seat, domicile or habitual residence.

(17) The services in respect of which the place of supply shall be determined pursuant to paragraph (16) are the following:

(a) transfer and assignment of copyrights, patents, licences, trade-marks and similar rights;

(b) advertising services;

(c) consultancy, engineering, technical, legal, accounting, audit, translating, interpreting and other similar services, including services of data processing and provision of information;

(d) banking, financial, insurance and reinsurance services, with the exception of the hire of safes;

(e) the supply of staff;

(f) lease of movable tangible property, except for the lease of means of transport, railway carriages and railway wagons, trailers, and semi-trailers;

(g) provision of access to a natural gas system located in the territory of the European Union, to a network connected to such a system, an electricity grid, heating networks, cooling networks, transport or distribution by means of the above systems or networks and the supply of other directly related services;

(h) telecommunications services;

(i) radio broadcasting and television broadcasting services;

(j) electronically supplied services.

(18) The services referred to in paragraphs (14) and (17)(j) are the following:

(a) web-site supply, web-site hosting, remote maintenance of programs and equipment;

(b) supply of program applications (software) and updating thereof;

(c) supply of images, text and information, and accessing of databases;

(d) supply of music, films and games, including games of chance and gambling games, and of political, cultural, artistic, sporting, scientific and entertainment broadcasts and events;

(e) distance teaching.

(19) The telecommunications services referred to in paragraph (15) shall be services consisting of the transmission, emission or reception of signals, writing, images and sounds or information of any nature by wire, radio, optical or other electromagnetic systems, including the related

transfer or assignment of the right to use capacity for such transmission, emission or reception; telecommunications services shall also include provision of access to global information networks.

## § 17

### Place of Acquisition of Goods from Another Member State

(1) The place of acquisition of goods from another Member State shall be the place where the goods are situated at the time when their dispatch or transport to the acquirer is ended.

(2) Where the acquirer of goods orders goods under the tax identification number assigned thereto by a Member State other than the Member State in which the dispatch or transport of goods ends, the place of acquisition of goods from another Member State shall be deemed to be the State which assigned the tax identification number to the acquirer, unless the acquirer gives proof that such acquisition was subject to the tax in the Member State where the dispatch or transport of goods ended. Paragraph 1 shall not be prejudiced thereby.

(3) If pursuant to paragraph 2 the acquirer gives proof that the acquisition of goods from another Member State was subjected to the tax in the Member State where the dispatch or transport of goods ended, he shall correct the taxable amount, whilst abiding, where appropriate, by § 25.

(4) The place of acquisition of goods from another Member State in the case of trilateral transaction as per § 45 shall be the place in accordance with paragraph 1, provided that

a) the first purchaser gives proof that he has acquired the goods for the purposes of their subsequent supply in another Member State where the dispatch or transport of goods ends, and the second purchaser is a person identified for tax purposes in the Member State where the dispatch or transport of goods ends and is a person liable to pay the tax,

b) the first purchaser meets his obligation to state the subsequent supply of goods in a recapitulative statement in accordance with § 80,

c) the first purchaser is not identified for tax purposes in the Member State where the dispatch or transport of goods ends, and

d) the dispatch or transport of goods is effected in accordance with § 45(1a).

## § 18

### Place of Importation of Goods

(1) The place of importation of goods shall be a Member State within whose territory the goods are situated at the time of their entry into the territory of the European Union, save as the exemption in accordance with paragraph 2.

(2) Where on their entry into the territory of the European Union, the imported goods have the status of temporarily stored goods or are placed in a free zone or a free warehouse, or are released under customs warehousing procedures, under inward processing procedures, under procedures for temporary importation with total exemption from import duty or external transit procedures, or are admitted into territorial waters, the place of importation shall be the Member State where such customs arrangements are terminated.

## Tax Liability

## § 19

### Tax Liability on Supply of Goods and Services

(1) A tax liability shall arise on the day of supply of goods. The day of supply of goods shall be the day on which the purchaser acquires the right to dispose of the goods as owner. As regards transfer or assignment of immovable property, the supply date shall be the day of handing over of the immovable property for use, provided that such date precedes the date of entry of title to the immovable property in the real estate register. As regards the supply of construction under a contract for work or another similar contract, the supply date shall be the day of handing over the construction. In the case of the supply of goods under § 8(1)(c), the day of supply of goods is the day on which the goods are handed over to the lessee.

(2) A tax liability shall arise on the day of supply of a service.

(3) If the supply of goods or services is partial or repeated, then such goods or services shall be deemed supplied at the latest as of the last day of the period to which the payment for the partial or repeated supply of goods or services relates, subject to exceptions in sub-paragraphs (a) to (e). A 'partial supply of goods or services' means the supply of goods or services that represents a part of the overall contracted supply. A 'repeated supply of goods or services' means the supply of the same type of goods or services at recurring periods agreed upon in advance.

If

(a) the payment in respect of partially or repeatedly supplied goods or services, other than the service specified in sub-paragraph (b), has been agreed to cover a period longer than 12 calendar months, the goods or services shall be deemed supplied as of the last day of each 12<sup>th</sup> calendar month until the supply of the goods or services has been completed;

(b) the service with a place of supply according to §15(1), the recipient of which is liable to pay tax, is supplied partially or repeatedly over a period exceeding 12 calendar months and the payment has been agreed to cover a period longer than 12 calendar months, such service shall be deemed supplied as of the last day of each calendar year until the supply of the service has been completed;

(c) a taxpayer, in addition to rent, requests a separate payment for the exactly supplied quantities of electricity, gas, water and heat for each period of the repeated lease of a real property, these goods shall be deemed supplied as of the date on which the invoice by which the taxpayer seeks payment for their supply has been issued;

(d) electronic communication networks and electronic communication services are repeatedly supplied, along with electronic services, by persons authorised to provide such networks and services under a separate regulation<sup>6a</sup>, no later than the day as of which the invoice has been issued and, if no invoice has been issued, no later than last day of the third calendar month following the calendar month in which the service was provided

shall be deemed the date of service supply; the tax becomes chargeable as of the last day of the third calendar month following the month in which the service was provided; this exemption shall not apply to the repeatedly supplied electronic communication networks and electronic communication services and electronic services supplied together with them provided that the service recipient is liable to pay the tax,  
e) goods exempt from tax pursuant to §43 are repeatedly supplied for a period longer than one calendar month, the goods shall be considered supplied upon the last day of each calendar month until such time as the supply of goods comes to an end.

(4) Where a payment is received prior to the supply of goods or service, a tax liability shall arise from the payment received on the payment receipt date.

(5) Where goods are supplied under a consignment contract, a tax liability shall arise to the consignee on the same day as to the consignor.

(6) In the case of a service procured pursuant to §9(4), including the procurement of repeatedly or partially supplied services, the service procured by a person acting in his own name shall be deemed supplied as of the date of the invoice issue by which the supplier seeks payment for the service or, if no invoice is issued, as of the last day of the third calendar month following the calendar month in which the service was supplied, the tax becomes chargeable as of the last day of the third calendar month following the calendar month in which the service was supplied; the day of service supply under this sub-paragraph shall not be determined if the service, with a place of supply under §15(1), is procured and the recipient of such service is liable to pay the tax. The tax liability of a copyright holder arises on the day when he/she receives a payment from the organization for collective copyrights administration, provided that the organization levies in its own name remunerations and compensations for the granting of the right to use the works on behalf of the copyright holder.

(7) Where goods are supplied via vending machines or other similar devices operated by coins, banknotes, stamps or other payment instruments surrogating for money, a tax liability shall arise on the day when the money or stamps are collected from the machine or the level of turnover is determined in some other way.

(8) Where goods are dispatched or transported from the territory of the country to another Member State and their dispatch conforms to the conditions for exemption from the tax pursuant to § 43 (1 to 4), the day on which the tax becomes chargeable is

- a) the 15th day of a calendar month following the calendar month in which the goods were supplied, or
- b) the invoice issue date, if the invoice is drawn up before the 15th day as per subparagraph a).

(9) If goods is dispatched or transported from the territory of the country to a place of destination in a third country (section 47 par. 1 and 2), the day of supply of goods is considered to be the day that the goods leaves the territory of European Union, confirmed by a customs authority in customs declaration or simplified customs declaration.

(10) The tax liability on returnable packages<sup>6aa)</sup> supplied to the market along with the goods arises for a taxpayer, who is the first one to market the returnable packages along with the goods in the territory of the country, on the last day of a respective calendar year, from the difference between the total number of returnable packages which the taxpayer was the first one to market along with the goods within the territory of the country and the total number of such returnable packages which were returned from the market within the territory of the country in the respective calendar year; if the difference in the respective calendar year is negative, the tax amount and the amount of tax shall be given with a minus (-) sign in a records pursuant to §70 and in a tax return. The taxpayer who, during the calendar year, is the first one to market returnable packages supplied along with the goods within the territory of the country and, at the same time, also supplies returnable packages along with the goods, which he is not the first one to market within the territory of the country, may not claim a negative difference in the tax return. The taxable amount is the product of the difference calculated in accordance with the first sentence and the amount of deposit for a returnable package laid down in a separate regulation<sup>6ab)</sup> as applicable on the last day of the respective calendar year, less the tax.

## § 20

### Tax Liability on Acquisition of Goods in the Territory of the Country from another Member State

(1) On acquisition of goods within the territory of the country from another Member State, a tax liability shall arise on

- a) the 15th day of a calendar month following the calendar month, in which the acquisition of goods was effected, or
- b) the invoice issue date, if the invoice is drawn up before the 15th day as per subparagraph a).

(2) Acquisition of goods within the territory of the country from another Member State shall be deemed to be effected, if such goods were deemed to be supplied in the territory of the country.

(3) On acquisition of a new means of transport within the territory of the country from another Member State by a person who is not registered for tax purposes, a tax liability shall arise on the day of acquiring the new means of transport.

(4) Cancelled as of 01.01.2006.

## § 21

### Tax Liability on Importation of Goods

(1) On importation of goods, a tax liability shall arise on

- a) releasing the goods under free circulation arrangements,
- b) releasing the goods under inward processing arrangements in the system of temporary admission,
- c) terminating temporary importation procedures, with partial exemption from import duty,
- d) in the case of re-exported goods, on releasing them into free circulation regime from outward processing regime,
- e) illicit importation of goods,
- f) withdrawing the goods from the customs supervisory authority,
- g) in other cases when a customs debt on importation of goods arises.

(2) A tax liability in respect of goods as per paragraph 1 shall arise on the day of receipt of a customs declaration for release of goods under the respective customs arrangements or on the day on which the customs debt arises in a way other than the receipt of the customs declaration. The tax shall fall due within the due date for a customs duty in accordance with customs regulations.

(3) With regard to goods released to the temporary importation arrangements with partial exemption from import duty, the tax is calculated to the amount for which it would be calculated for the goods if the goods was released to the customs treatment for free circulation at the time of its release to temporary importation arrangements with partial exemption from import duty.

## Taxable Amount and Tax Rate

### § 22

#### Taxable Amount in Respect of Supply of Goods and Services

(1) In respect of supplies of goods and services, a taxable amount shall be everything which constitutes the consideration which has been or is to be obtained by the supplier from the recipient of the performance or another person in return for the supply of goods or service, less the tax. The taxable amount also includes the subsidy or contribution that the supplier received or is to receive for the price of goods or service.

(2) The taxable amount as per paragraph 1 shall also include

- a) other taxes, duties, levies and charges relating to the goods or service,
- b) associated costs (expenses), such as commission, packing costs, transport and insurance costs charged by the supplier to the purchaser or customer.

(3) The taxable amount as per paragraph 1 shall not include expenses paid on behalf and for the account of the purchaser or the customer, which the supplier charges to the purchaser or the customer (hereinafter the „suspense items“). Where the goods are supplied in returnable packages, the deposit charged on returnable packages supplied along with the goods shall not be included in the taxable amount as per paragraph 1.

(4) Where at the time of supply of goods or service a price reduction or a discount for early payment is granted, the taxable amount shall be reduced for the sum of such discount.

(5) In the case of the supply of goods in accordance with section 8 paragraph 3, the tax base is the price, for which the goods have been acquired including expenses related to their acquisition, and if the goods were made by their own activities, the tax base comprises the expenses for the creation of the goods by their own activities; in the case of the supply of goods, which are in accordance with special provision<sup>26)</sup> specified as depreciated assets, the tax base is the depreciated price of assets determined in accordance with the special provision<sup>30)</sup>. In the case of the supply of services in accordance with section 9 paragraphs 2 and 3, the tax base comprises the costs of services.

(6) On relocation of goods in accordance with § 8(4), the taxable amount shall be the price at which the goods were acquired, including the costs associated with the acquisition, and in respect of self-generated goods, the taxable amount shall be the cost of self-generation of such goods, whilst in determining the taxable amount, paragraphs 2 and 3 shall be applied where appropriate.

(7) If goods and services are delivered within the sale of a business or a part of a business forming a separate organizational unit<sup>4)</sup>, the tax base will be determined based on an agreed price related to individual transferred tangible property and intangible property and other individual values usable as property. The taxable amount may not be reduced for the liabilities passing onto the purchaser.

(8) If, for the supply of goods or services to the persons who are in close relation with the taxpayer who supplies the goods or services, the consideration is lower than the open market value and the recipient of the supply is not a taxpayer or is a taxpayer who does not have a full right of deduction in respect of such goods or services, the taxable amount shall be the open market value. "Open market value" shall mean the amount that, in order to obtain the goods or services in question at the same marketing stage at which the supply of goods or services takes place, the recipient of the supply would have to pay to an independent supplier within the territory of the country under conditions of fair competition. Where no comparable supply of goods or services can be ascertained, "open market value" shall mean the following:

- (a) in respect of the supply of goods, an amount that is not less than the purchase price of the goods in question or of similar goods or, in the absence of a purchase price, the cost of producing the goods in question at the time of supply;
- (b) in respect of the supply of services, an amount that is not less than the cost of providing the service.

(9) For the purposes of paragraph (8), the persons who are in close relation with the taxpayer shall mean:

- (a) the natural persons acting as statutory representatives of the taxpayer who supplies the goods or services, or as members of the statutory board of the taxpayer who supplies the goods or services, including natural person who are their direct subordinates;
- (b) the natural persons who are members of the supervisory board of the taxpayer who supplies the goods or services;
- (c) the persons owning or controlling, either directly or indirectly, at least 10 percent of the shares or ownership interests of the taxpayer who supplies the goods or services, including the natural persons acting as statutory representatives or members of the statutory board of such persons;
- (d) the persons in which at least 10 percent of shares or ownership interests are owned or controlled, either directly or indirectly, by the taxpayer who supplies the goods or services, including the natural persons who act as statutory representatives or members of the statutory board of such persons;
- (e) the persons who are members of the taxpayer which supplies the goods or services;
- (f) the natural persons who are in an employment relationship with the taxpayer who supplies the goods or services;
- (g) the natural persons related<sup>6ac)</sup> to the natural person referred to in (a), (b), (c), (d) or (f);
- (h) the legal persons whose statutory representative or partner also acts as statutory representative or partner of the taxpayer who supplies the goods or services;
- (i) the persons engaged in joint business with the taxpayer who supplies the goods or services based on an association agreement or any other similar agreement;
- (j) the natural persons living in the same household with the taxpayer who supplies goods or services,<sup>24a)</sup>

(k) the persons related<sup>(6ac)</sup> to the taxpayer who is a natural person and who supplies the goods or services.”

## § 23

### Taxable Amount in Respect of Acquisition of Goods in the Territory of the Country from Another Member State

(1) The tax base in the case of goods from other member state acquired within the territory of the country in accordance with sections 11 and 11a is determined in accordance with section 22 paragraphs 1 to 4, except for the acquisition of goods in accordance with paragraph 2.

(2) On acquisition of goods within the territory of the country from another Member State pursuant to § 11(8), the taxable amount shall be determined in accordance with § 22(6).

## § 24

### Taxable Amount in Respect of Importation of Goods

(1) On importation of goods, the taxable amount shall be the customs value of goods in accordance with customs regulations.

(2) In so far as they are not already included in the customs value of goods, the taxable amount shall also include the following

- a) taxes, duties and other payments outside the territory of the country and payable on importation of goods, with the exception of the tax to be assessed,
- b) associated costs (expenses), such as commission, packing costs, transport and insurance costs incurred up to the first place of destination within the territory of the country.

(3) The first place of destination within the territory of the country as per paragraph 2 subparagraph b) shall be the place mentioned in the consignment note or any other transport document accompanying the goods imported into the territory of the country. In the absence of such indication, the first place of destination shall be taken to be the place of the first reloading of cargo in that country.

(4) The taxable amount shall also include the costs (expenses) in accordance with paragraph 2 subparagraph b), which relate to transport of goods to a place of destination within the territory of the European Union other than the territory of the country, if this place is known at the time of importation of goods.

(5) The taxable amount shall not include a reduction on the price of goods and a discount for an earlier payment of the price of goods.

(6) On re-import of goods released to the free circulation regime from outward processing regime, the taxable amount shall be the value of processing operations executed in the third country and items as per paragraph 2.

## § 25

### Correction of Taxable Amount

(1) In respect of supply of goods or services and in respect of acquisition of goods within the territory of the country from another Member State, the taxable amount shall be adjusted when

- a) the supply of goods and services is fully or partially cancelled and when the supply of goods is fully or partially returned,
- b) the price of goods or services is reduced following the rise of a tax liability,
- c) the price of goods or services is increased.

(2) If, on acquisition of goods within the territory of the country from another Member State, the excise duty paid in the Member State from which the goods were dispatched or transported is refunded to the acquirer, the taxable amount shall be reduced for the amount of excise duty so refunded.

(3) The difference between the original taxable amount and corrected taxable amount and the difference between the original tax and corrected tax will be specified in the tax return for the tax period in which a document of correction of the taxable amount was made, and, if the taxable amount is corrected when acquiring a goods in the territory of the country from another Member State or upon delivery of a goods or service where the acquirer of the goods or receiver of the service are liable for payment of tax, the difference will be specified in the tax return for the tax period in which the acquirer of the product or receiver of the service receive a document of correction of the taxable amount.

(4) On the basis of an application, a customs authority shall refund or waive the tax in respect of importation of goods in cases according to Articles 235 to 242 of Council Regulation (EEC) No 2913/1992, save the case where the taxpayer may deduct the tax on imported goods to the full extent; this exemption shall not apply to cases in accordance with Article 236 of Council Regulation (EEC) No 2913/1992.

(5) Where on importation of goods a tax liability arises within the territory of the country to a legal entity from another Member State who is not a taxable person, a customs authority shall refund this person the tax paid on the import, provided that

- a) concerned are the goods dispatched or transported from the territory of a third country and the place of destination of goods is a Member State other than the territory of the country, and
- b) this person establishes that the acquisition of goods was taxed in the Member State of destination of goods.

(6) The taxable amount and tax do not have to be corrected if the payer marks down the price of goods or services after the origination of tax obligation towards another payer, provided that both parties have agreed in writing on such a procedure.

(7) On correction of taxable amount the tax rate shall be applied which was valid in the time when tax liability arose on taxable transaction to which the correction of taxable amount is related.

## § 26

### Conversion of Foreign Currency and Rounding of the Tax

(1) Where the payment on supply of goods, services or acquisition of goods within the territory of the country from another Member State is requested in a foreign currency, it shall be converted, for the purposes of determining the taxable amount, to the euro at a reference exchange rate determined and announced by the European Central Bank or by the National Bank of Slovakia<sup>5a)</sup> on the day preceding the day of the rise of a tax liability. The person obliged to pay tax may use an exchange rate valid according to customs regulations from the day of origination of the tax obligation to convert the foreign currency to the euro; the decision to use the exchange rate valid according to customs regulations shall be notified to the tax office in writing prior to its first utilization and it shall be binding during the whole calendar year. For correction of the taxable amount according to section 25, the exchange rate used at the time that the tax liability arose will be applied.

(2) When the foreign currency is converted to the euro in order to determine the taxable amount in respect of importation of goods, a procedure according to customs regulations shall be followed.

(3) The tax calculated on supply of goods, supply of a service and acquisition of goods within the territory of the country from another Member State shall be rounded down to the nearest euro cent up to EUR 0.005 and rounded up starting from EUR 0.005.

(4) The tax calculated on importation of goods shall be rounded down to the nearest euro cent up to EUR 0.005 and rounded up starting from EUR 0.005.

## § 27

### Tax Rates

(1) A standard tax rate on goods and services shall be 19 % of the taxable amount with the exception of the standard tax rate laid down in §85j(1) for a time period pursuant to §85j(1). On goods listed in Annex 7 a reduced tax rate 10 % of the taxable amount shall be applied.

(2) For purpose of right classification of goods to the numerical code according to Annex 7 binding information on nomenclatural classification of goods issued by customs authority in accordance with a separate regulation shall be used.<sup>6b)</sup>

(3) When the tax rate changes, the tax rate applicable on the day when the tax liability arises shall be applied in respect of each tax liability arisen.

### Tax Exemptions

## § 28

### Postal Services

Exempt from the tax shall be universal postal services.<sup>7)</sup> Also exempt from the tax shall be the supply of goods related to the universal postal service provided.

## § 29

### Health Care

(1) Exempt from the tax shall be the provision of health care by state and non-state health care facilities in accordance with a separate regulation<sup>8)</sup>, as well as goods and services directly related thereto and provided by these state and non-state health care facilities. The supply of medicaments and health care aids shall not be exempt from the tax.

(2) Also exempt from the tax shall be

- a) nursing and midwife care,
- b) health spa care, and where the health spa care follows to the preceding outpatient care, also services directly related thereto,
- c) health care provided by dentists and supply of dental prostheses by dentists and dental technicians,
- d) emergency health services and transport of persons to a health care facility and from a health care facility provided in connection with health care.

(3) Exempt from the tax shall be supplies of human organs and tissue, human blood and blood preparations and mother milk.

## § 30

### Social Assistance Services

(1) Exempt from the tax shall be services of social assistance and services relating to the protection of children and youth provided in social welfare facilities in accordance with a separate regulation;<sup>11)</sup> also exempt from the tax shall be any goods supplied together with these services, as long as directly linked to the supply of these services.

(2) Exempt from the tax shall be services and goods in accordance with paragraph 1 supplied by also another legal entity or natural person, as long as such a person meets one or several of the following conditions:

- a) pursues activities for a purpose other than making a profit, and any profits nevertheless arising must be to the full extent earmarked for the continuance or improvement of the services supplied,
- b) is established and administered on a voluntary basis by persons who do not financially benefit, either directly or indirectly, from the results of its activities,
- c) charges prices approved by competent authorities or which do not exceed such approved prices and, in respect of services not subject to the obligation to have a price approved, prices lower than prices charged for similar services by persons aiming to derive profits from such activities.

## § 31

### Training and Educational Services

(1) Exempt from the tax shall be training and educational services provided

- a) in accordance with separate regulations,<sup>12)</sup>
- b) by a legal entity or a natural person meeting one or several conditions pursuant to § 30(2),
- c) as professional training and retraining rendered in accordance with a separate regulation.<sup>13)</sup>

(2) Also exempt from the tax shall be the supply of goods and services closely related to training and educational services as per paragraph 1 by persons providing training and educational services in accordance with paragraph 1.

## § 32

### Services Supplied to Members

(1) Exempt from the tax shall be services supplied in return for subscription for the benefit of own members of political parties and movements, churches and religious societies, civic associations, including trade unions and professional chambers, provided that this exemption is not likely to cause distortion of competition; also exempt from the tax shall be goods supplied by these persons and closely linked to the service supplied.

(2) Services rendered to its members by a legal entity are exempt from tax provided that

- a) all its members execute an activity that is exempt from tax according to sections 28 to 41, or an activity that is not subject of tax,
- b) the services are absolutely essential for execution of the activity according to letter a),
- c) the legal entity claims payment only of a share of joint expenses from its members, and
- d) the exemption from tax does not violate economic competition.

## § 33

### Services Linked to Sport or Physical Education

Exempt from the tax shall be services closely linked to sport or physical education, supplied to persons taking part in sport or physical education, as long as these services are supplied by a legal entity or a natural person who meets one or several conditions pursuant to § 30(2).

## § 34

### Cultural Services

Exempt from the tax shall be cultural services and supply of goods closely linked thereto, provided that they are supplied by

- a) a legal entity established under the law,<sup>14)</sup>
- b) a legal entity established by the Ministry of Culture of the Slovak Republic, a higher territorial unit or a municipality pursuant to a separate regulation,<sup>15)</sup>
- c) a legal entity or a natural person meeting one or several of the conditions pursuant to § 30(2).

## § 35

### Fund Raising

Exempt from the tax shall be supply of goods and services by persons whose activities are exempt from the tax under §§ 29 to 34, at events organised in order to raise funds to be used in their own activities, subject to the condition that such exemption from the tax is not likely to cause distortion of competition.

## § 36

### Services of Public Television and Radio Bodies



Exempt from the tax shall be public television and radio broadcasts, except for commercial broadcasting, telemarketing and sponsored programmes, including their promotion.

## § 37

### Insurance Services

- (1) Insurance and re-insurance activities, including brokerage of insurance and re-insurance, are exempt from tax.
- (2) Exempt from the tax shall be insurance activities of the Social Insurance Company<sup>17)</sup> and insurance activities of health insurance companies.<sup>18)</sup>

## § 38

### Supply and Leasing of Immovable Property

- (1) Exempt from the tax shall be the supply of a construction or a part thereof, including the supply of building land,<sup>19)</sup> on which the structure is constructed, provided that the supply is made five years after the first approval of the building or a part thereof based on which the building or a part thereof was approved for use or five years from the day when the building or a part thereof was put in use for the first time; the taxpayer may decide not to have the supply of the said immovable property exempt from the tax. For the purposes of tax exemption referred to in the first sentence, flats and non-residential premises pertaining thereto shall be deemed a part of the building.
- (2) Exempt from the tax shall be supply of land except for supply of building land. As long as the building land is supplied along with the construction, the supply thereof shall abide by paragraph 1.
- (3) Exempt from the tax shall be leasing of immovable property or a part thereof, except for
  - a) the letting of accommodation facilities (accommodation services),
  - b) the letting of premises and sites for parking vehicles,
  - c) the letting of permanently installed equipment and machinery,
  - d) the hire of safes.
- (4) For the purposes of paragraph 3, an accommodation facility shall mean a hotel, a motel, a hotel, a pension, a hostel or other accommodation facility if a short-term accommodation, i.e. for less than three months, is provided, a chalet, a camping site and a private accommodation.
- (5) The taxpayer who lets immovable property or a part thereof out to a taxable person, may decide not to have the lease exempt from the tax.
- (6) Paragraphs 3 to 5 shall also apply to subleasing of immovable property or a part thereof.

## § 39

### Financial Services

- (1) The following shall be exempted from tax:
  - a) the granting and the negotiation of credit, the granting and the negotiation of loan, the management of credit and loan by the person granting it, and negotiation of savings,
  - b) the granting and the negotiation of credit guarantee and any other security for money, as well as the management of credit guarantee by the person granting the credit,
  - c) transactions concerning deposit and current accounts, including their negotiation,
  - d) transactions concerning payments, transfers, cheques, negotiable instruments, debts, but excluding debt collection,
  - e) the issuance and management of electronic payment instruments and traveller's cheques,
  - f) transactions concerning securities and participating interests, including their negotiation; whilst excluding management and safekeeping of securities,
  - g) opening of letters of credit,
  - h) procurement of collection,
  - i) transactions concerning currency used as legal tender, including their negotiation,
  - j) exchange transactions,
  - k) the management of share funds by an asset management company in accordance with the special provision<sup>20)</sup>, the management of pension funds by a pension asset management company in accordance with the special provision<sup>20a)</sup> and the management of supplementary pension funds by a supplementary pension company in accordance with the special provision<sup>20b)</sup>,
  - l) trading for one's own account or for the customer's account in forwards, futures contracts and options, including the exchange rate and interest rate transactions.
- (2) In respect of exchange transactions, the price of service shall be an agreed-upon reward and gains (income) obtained from a difference between exchange rates in the respective tax period.
- (3) In transactions according to section 1 letter l), the price of service is the profit gained from the transactions after deduction of the loss from the transactions in the respective tax period.

## § 40

## Sale of Stamped Stationery and Fiscal Stamps

The mediation of sale of valid postal stamps and vouchers for use within postal services, fee stamps and other official stamps and vouchers, if they are sold for their nominal values, is exempted from the tax.

## § 41

### Operation of Lotteries and Other Similar Games

(1) Exempt from the tax shall be operation of lotteries and other similar games by a person authorised to their operation under a separate regulation.<sup>21)</sup>

(2) Also exempt from the tax shall be activities consisting of the operation proper of lotteries and other similar games, which are carried out in the name and for the account of a person authorised to their operation under a separate regulation. The operation proper of lotteries and other similar games shall mean the betting, sale of lots, the disbursement of prizes and other services directly linked thereto and provided by the mandatory.

## § 42

### Tax Exemption in Respect of Supply of Goods Without Tax Deduction

The supply of goods used exclusively for activities exempted from tax in accordance with sections 28 to 41 without the possibility of tax deduction in accordance with section 49 paragraph 3, is exempted from tax, as well as the supply of goods after whose acquisition it is not possible to deduct taxes in accordance with section 49 paragraph 7.

## § 43

### Tax Exemption in Respect of Supply of Goods from the Country to Another Member State

(1) Exempt from the tax shall be supply of goods dispatched or transported from the territory of the country to another Member State by the seller or acquirer of goods or for their account, provided that the acquirer is a person identified for tax purposes in another Member State.

(2) Exempt from the tax shall be supply of a new means of transport, which is dispatched or transported from the territory of the country to another Member State by the vendor to the purchaser or by the purchaser or for their account.

(3) Exempt from the tax shall be supply of goods subject to excise duty dispatched or transported from the territory of the country to another Member State by the vendor to the purchaser or by the purchaser or for their account, provided that the purchaser is a taxable person under the law of another Member State who is not identified for tax purposes, or a legal entity who is not a taxable person under the law of another Member State who is not identified for tax purposes, and provided that the liability to pay the excise duty is incurred by the purchaser in the Member State in which the dispatch or transport of goods ends.

(4) Also exempt from the tax shall be relocation of goods of a taxable person from the territory of the country to another Member State for the purposes of its business (§ 8(4)), provided that the supply of these goods for another person has been exempt from the tax under paragraph 1.

(5) The taxpayer shall be obliged to prove that the conditions for exemption from the tax pursuant to paragraph 1 through 4 have been met

a) by a copy of an invoice;

b) by a document proving the dispatch of goods, where the transport of goods is provided by the supplier or customer by means of a postal service, or a copy of the document on the transport of goods in which the customer or a person authorised by the customer confirms that the goods have been received in another Member State, where the transport of goods is provided by the supplier or customer by a person different than the postal service; if the taxpayer holds no such a copy of the document on the transport of goods, the taxpayer is required to prove the receipt of goods in another Member State by another document;

c) by a confirmation of the receipt of goods by the customer or a person authorised by the customer, where the transport of goods is performed by the supplier or customer; the confirmation must contain the following:

1. the name and surname of the customer, or the business name of the customer, and the address of its seat, place of business, establishment, domicile or address of the place of its habitual residence;
2. the quantity and type of goods;
3. the address of the place and date of the receipt of goods in another Member State, where the goods have been transported by the supplier, or the address of the place and date of the end of transport, where the goods have been transported by the customer;
4. the name and surname of the driver of a land motor vehicle, in block letters, and his/her signature;
5. the registration plate number of the land motor vehicle used in the transport of goods; and

d) other documents, in particular a supply of goods contract, a delivery note, a document on the receipt of payment for the goods, a document on the payment for the transport of goods.

(6) Supply of goods and services to the following shall be exempt from tax:

- a) diplomatic missions and consular offices of states other than the Slovak Republic established within the territory of another Member State, and their staff who are not citizens of the Slovak Republic and do not have permanent residence in the Slovak Republic,
- b) the European Union, the European Atomic Energy Community and bodies established by them, the European Central Bank and the European Investment Bank, within the scope and under the conditions laid down by an international treaty,<sup>21a)</sup>

c) international organisations other than those listed in (b) above established in the territory of another Member State and their staff who are not citizens of the Slovak Republic and have no permanent residence in the Slovak Republic within the scope and under the conditions laid down by international treaties,<sup>24)</sup>

d) another Member State for the armed forces of the Member State, which is a party to the North Atlantic Treaty, destined for use by these armed forces or civilian staff accompanying them, and for supply of their catering facilities, provided that these armed forces are not the armed forces of the State of destination of supplies and provided that they take part in a common defence effort.

(7) The taxpayer shall be obliged to give proof of the tax exemption as per paragraph 6 by a confirmation on an official print form on exemption from the tax, made out by the competent government authority of another Member State, and which the customer delivers to the taxpayer.

(8) If the goods are transported from the territory of the country to another Member State by the customer, or if the customer has arranged for the transportation of the goods by another person, the taxpayer is obliged to have the documents referred to in paragraph 5(b) or (c) at his disposal by the end of sixth calendar month following after the calendar month in which the goods were supplied. If the taxpayer does not have the documents referred to in paragraph 5(b) or (c) at his disposal within the time period referred to in the foregoing sentence, he shall specify the supply of goods without tax exemption in the tax return for the tax period in which the aforementioned period lapsed.

#### § 44

##### Tax Exemption in Respect of Acquisition of Goods in the Country from another Member State

Exempt from the tax shall be acquisition of goods within the territory of the country from another Member State, provided that

a) the supply of such goods by the taxpayer within the territory of the country would be exempt from the tax,

b) the importation of such goods would be exempt from the tax under §48(1) and (2) and (4) through (9).

c) these goods are intended to be immediately supplied again from the territory of the country to another Member State or to the territory of a third country and such supply is exempt from the tax, with the right of deduction.

#### § 45

##### Tax Exemption in Respect of Trilateral Transactions

(1) A trilateral transaction shall mean a transaction where

a) there are three persons involved in the transaction and subject to this transaction is supply of the same goods, which have been dispatched or transported directly from the first supplier to the second customer from one Member State to another,

b) the persons participating in the transaction have been identified for tax purposes in three different Member States,

c) the first customer has not been identified for tax purposes in the Member State of the second customer and he uses the same tax identification number vis-à-vis the first supplier and the second customer,

d) the goods have been dispatched or transported by the first supplier or the first customer, or another person for their account,

e) the second purchaser uses the tax identification number assigned by the Member State where the dispatch or transport of goods ends, and

f) the second customer is a person liable to pay the tax.

(2) If the conditions laid on a trilateral transaction as per paragraph 1 are met, the first customer shall not be liable to pay the tax on acquisition of goods from another Member State and the acquisition of goods by this person shall be deemed to have been taxed.

(3) In the case of a trilateral transaction, the first customer shall make out an invoice for the second customer, which shall not contain the amount of tax and in which he shall indicate that a trilateral transaction is involved.

(4) The records maintained in order to determine the tax must clearly indicate

a) as regards the first customer, when the tax identification number assigned thereto in the country is used for the trilateral transaction, an agreed-upon reward for supply of goods to the second customer and the business name or the first name and surname of the second customer,

b) as regards the second customer, when the tax identification number assigned thereto in the country is used for the trilateral transaction, the taxable amount, the amount of tax and the business name or the first name and surname of the first customer,

#### § 46

##### Tax Exemption in Respect of Transport Services

(1) Exempt from the tax shall be transport of goods to the islands or from the islands, which form autonomous regions of the Azores and Madeira, and transport of goods between these islands.

(2) Exempt from the tax shall be transport of passengers within the territory of the country, if concerned is transport

a) from the territory of the country to outside,

b) from the outside to the territory of the country,

c) from a place outside the country to another place outside the country via the territory of the country,

d) between two places within the territory of the country, which forms part of international air or water transport.

(3) The transport of baggage and motor vehicles accompanying transported persons, and the supply of services related to the transport of persons are exempted from tax if the transport of persons itself is exempted from tax in accordance with paragraph 2.

## § 47

### Tax Exemption in Respect of Export of Goods and Services

- (1) Exempt from the tax shall be supply of goods dispatched or transported by the vendor or for his account to the place of destination within the territory of a third country.
- (2) Exempt from the tax shall be supply of goods dispatched or transported by the purchaser or for his account to the place of destination within the territory of a third country, if the purchaser does not have seat, place of business, fixed establishment or domicile within the territory of the country, except for supply of goods transported by the purchaser for the purposes of equipment, supply of pleasure boats, private aircraft or any means of transport by fuels and foodstuffs for private use.
- (3) The taxpayer is obliged to prove the dispatch or transport of goods to the place of destination in a third-country territory referred to in paragraph 1 and 2 by means of a customs declaration in which customs authorities have confirmed that the goods left the territory of the European Union, and by means of a document of the dispatch or transport of goods; the taxpayer must have the customs declaration in which customs authorities have confirmed that the goods left the territory of the European Union not later than by the end of the sixth calendar month following the end of the tax period in which the taxpayer claimed tax exemption.
- (4) Exempt from the tax shall be supply of goods in customs warehouse authorised under a separate regulation<sup>6)</sup> within the transit area of international airports and ports and on board aircraft to exclusively natural persons, who will immediately leave the Community territory, or leave it with an intermediate landing in another Member State, provided that during such a stop the leaving of a transit area is inhibited. The goods exempt from the tax may only be sold to such persons on verification that their airport of destination or port of destination is situated within a third country. A legal entity or a natural person who executes such a sale shall be obliged to ensure that on the selling document there is stated the first name and surname of a natural person, the flight or voyage number, the purchaser's airport or port of destination, the trade name of goods and the price of goods.
- (5) Exempt from the tax shall be processing operations on movable property imported from the territory of a third country or acquired for the purposes of undergoing such work within the territory of the country and which has been dispatched or transported from the territory of the European Union by a person who supplied those services or for his account or by the customer who does not have his seat, place of business, fixed establishment or domicile within the territory of the country, or for his account.
- (6) Exempt from tax shall be services, including transport services and ancillary services related thereto, other than the services exempt from the tax under § 28 to 41, which are directly linked to the export of goods under the customs arrangements according to § 18(2).
- (7) The supply of goods for the following types of vessels is exempted from tax:
- vessels used for sailing on the open sea, which transport passengers for remuneration, execute business, industrial or fishing activities,
  - used for rescue operations or assistance at sea, or for inshore fishing, with the exception of supply of foodstuffs for vessels engaged in inshore fishing,
  - of war, as defined by the Common Customs Tariff code ex 8906 00 10, leaving the country and bound for foreign ports or anchorages.
- (8) Exempt from the tax shall be supply, repair, modification, maintenance, chartering and hiring of the sea-going vessels as per paragraph 7 subparagraphs a) and b), supply, repair, maintenance and hiring of equipment, including fishing equipment, and supply of other services to meet the needs of these vessels.
- (9) Exempt from the tax shall be supply of goods for the fuelling and provisioning of aircraft used by airlines operating for reward chiefly on international routes.
- (10) Exempt from the tax shall be supply, repair, modification, maintenance, chartering and hiring of aircraft used by airlines operating for reward chiefly on international routes, supply, repair, maintenance, chartering and hiring of equipment installed or used in such aircraft and supply of other services to meet the direct needs of aircraft or of their cargoes.
- (11) Exempt from the tax shall be supply of gold to central banks.
- (12) Exempt from the tax shall be the procurement of supplies of goods and services referred to in paragraphs 1 to 11, provided that such procurement is done on behalf of and for the account of another person, and also exempt from the tax shall be the procurement of goods and services effected outside the territory of European Union, provided that such procurement is done on behalf of and for the account of another person; the exemption from the tax shall not apply to procurement of tourism services supplied in another Member State.

## § 48

### Tax Exemption in Respect of Importation of Goods

- (1) Exempt from the tax shall be importation of goods, if concerned are the goods whose supply by the taxpayer within the territory of the country would be exempt from the tax.
- (2) Goods released under the free circulation regime subject to the exemption from a customs duty pursuant to a separate regulation<sup>22)</sup> shall be exempt from the tax, provided that concerned are
- small consignments of goods of a non-commercial character and if concerned are imports of coffee or tea, the exemption shall apply to
    - 500 grams of coffee or 200 grams of coffee extracts and essences,
    - 100 grams of tea or 40 grams of tea extracts and essences,
  - consignments, the value of which does not exceed EUR 22,
  - personal property of natural persons transferring their normal place of residence from a third country to the territory of the European Union,

- d) goods imported on the occasion of a marriage,
- e) personal property acquired by inheritance,
- f) school outfits, scholastic materials and other scholastic household effects of pupils and students,
- g) relocation of business assets from a third country to the territory of the European Union; the tax exemption shall not apply to business assets imported for the purposes of activities exempt from the tax pursuant to §§ 28 to 41,
- h) agricultural products,
- i) seeds, fertilizers and products for the treatment of soil and crops,
- j) animals, biological or chemical substances intended for research, if provided free of charge and destined for facilities effecting education and scientific research,
- k) therapeutical substances of human origin and blood-grouping and tissue-typing reagents,
- l) pharmaceutical products for use in international sports events,
- m) goods for charitable or philanthropic organisations,
- n) goods imported for the benefit of disaster victims,
- o) honorary decorations and awards, gifts donated in the context of international relations and goods to be used by heads of states,
- p) samples of goods of negligible value,
- r) printed advertising matter and advertising material,
- s) goods used or consumed at a trade fair or similar event,
- t) goods imported for examination, analysis or test purposes,
- u) consignments dispatched to persons competent to act in the matters of copyright protection, industrial property rights and technical standardisation,
- v) tourist information literature,
- w) miscellaneous documents and articles,
- x) ancillary materials for the stowage and protection of goods during their transport, if included in the taxable amount for imported goods,
- y) litter, fodder and feeding stuffs for animals during their transport,
- z) fuel and lubricants present in land motor vehicles and special containers,
- za) goods for the construction, upkeep or ornamentation of memorials to, or cemeteries for, war victims,
- zb) coffins, urns and ornamental funerary articles.

(3) Importation of goods dispatched or transported from a third country and the dispatch or transport of which ends in another Member State shall be exempt from the tax, provided that the supply of these goods by the importer (§ 69(8)) from the territory of the country to another Member State is exempt from the tax pursuant to § 43(1 to 4).

The exemption from tax shall apply if, at the time of importation of the goods, the importer who is a taxpayer or its representative provided at least the following information to the customs authority:

- a) its tax identification number assigned in the territory of the country or a special tax identification number of the tax representative representing an importer as regards exemption from tax pursuant to §69a,
- b) the customer's tax identification number assigned in another Member State or its own tax identification number assigned in a Member State where the dispatch or transport of the goods ends,
- c) proof that the imported goods are to be dispatched or transported from the territory of the country into another Member State, in particular a contract for the carriage of goods or a transport document.

(4) Exempt from the tax shall be re-importation of goods in the state in which they were exported by the person who exported them, where they qualify for exemptions from customs duties.

(5) Exemption from tax applies to the importation of goods

- a) by persons enjoying privileges and immunities under international law,<sup>23)</sup> provided that exemption from customs duties applies to such importation,
- b) by the European Union, the European Atomic Energy Community and bodies established by them, the European Central Bank and the European Investment Bank, within the scope and under the conditions laid down by an international treaty,<sup>21a)</sup>
- c) by international organisations other than those listed in (b) above and their staff, within the scope and under the conditions laid down by international treaties.<sup>24)</sup>

(6) Exempt from the tax shall be importation of goods by armed forces of another State which is party to the North Atlantic Treaty or by a State participating in the Partnership for Peace, and of another State for the use by such forces or the civilian staff accompanying them, including goods for supplying their messes or canteens where such forces take part in the common defence effort.

(7) Exempt from the tax shall be gold imported by the National Bank of Slovakia.

(8) Exempt from the tax shall be services in connection with the importation of goods where the value of such services is included in the taxable amount in accordance with § 24.

(9) Exemption from tax applies to the importation of gas by means of a natural gas system, or a network connected to such a system, or coming in from a watercraft designed for the transport of gas into a natural gas system or an upstream pipeline network, importation of electricity and importation of heat or refrigeration by means of heating or cooling networks.

## § 48a

### Tax Exemption in Respect of Goods Imported in the Traveller's Personal Luggage

(1) For the purposes of this provision

- a) air travellers means any passengers travelling by air other than private pleasure-flying;

- b) private pleasure-flying means the use of an aircraft by its owner or another person who enjoys its use either through hire or through any other means, for purposes other than commercial and other than for the carriage of passengers or goods or for the supply of services for consideration or for the purposes of public authorities;
- c) personal luggage shall be regarded as the luggage which a traveller is able to present to the customs authorities upon arrival, as well as luggage which he presents later to the same authorities, subject to proof that such luggage was registered as accompanied luggage, at the time of his departure, with the company which has been responsible for conveying him; fuel other than that referred to in Article 12 shall not be regarded as personal luggage;
- d) non-commercial import is import of goods if
1. the goods are intended for the personal or family use of the travellers,<sup>24a)</sup> or are intended as presents;
  2. the nature or quantity of the goods is not such as to indicate that they are being imported for commercial reasons; and
  3. the import takes place occasionally;
- e) cigarillos are cigars of a maximum weight of 3 grams each.
- (2) The goods imported for non-commercial purposes in personal luggage of the traveller coming from the territory of third countries shall be exempt from the tax.
- (3) Save for the goods specified in paragraphs 6 through 12, the exemption from the tax under paragraph 2 shall also apply to imports of goods, if their total value does not exceed
- a) EUR 300 per person other than person specified in paragraph 3(b) and (c);
  - b) EUR 430 per person in the case of air travellers;
  - c) EUR 150 per person under 15 years of age, regardless of transportation means.
- (4) For the purposes of applying the monetary thresholds specified in paragraph 3, the value of an individual item may not be split up.
- (5) The value of the personal luggage of a traveller, which is imported temporarily or is re-imported following its temporary export, and the value of medicinal products required to meet the personal needs of a traveller shall not be taken into consideration for the purposes of applying the exemptions referred to in paragraph 3.
- (6) The exemptions under paragraph 2 shall apply to tobacco products imported by a single traveller in the quantity not exceeding
- a) 200 cigarettes per person in the case of air travellers, and 40 cigarettes per person in the case of travellers other than air travellers;
  - b) 100 cigarillos per person in the case of air travellers, and 20 cigarillos per person in the case of travellers other than air travellers;
  - c) 50 cigars per person in the case of air travellers, and 10 cigars per person in the case of travellers other than air travellers;
  - d) 250 grams of smoking tobacco per person in the case of air travellers, and 50 grams of smoking tobacco per person in the case of travellers other than air travellers.
- (7) Each amount specified in paragraph 6(a) through (d) shall represent 100 % of the total allowance for tobacco products. The exemption for tobacco products may be applied to any combination of tobacco products specified in paragraph 6 (a) through (d), provided that the aggregate of the percentages used up from the individual allowances does not exceed 100 % of the total allowance.
- (8) The exemptions under paragraph 2 shall apply to import of alcohol and alcoholic beverages other than still wine and beer, subject to the following quantitative limits per person
- a) a total of 1 litre of alcohol and alcoholic beverages of an alcoholic strength exceeding 22 % vol, or undenatured ethyl alcohol of 80 % vol and over;
  - b) a total of 2 litres of alcohol and alcoholic beverages of an alcoholic strength not exceeding 22 % vol.
- (9) Each of the amounts specified in paragraph 8(a) and (b) represent 100 % of the total allowance for alcohol and alcoholic beverages. The exemption for alcohol and alcoholic beverages may be applied to any combination of the types of alcohol and alcoholic beverage referred to in paragraph 8, provided that the aggregate of the percentages used up from the individual allowances does not exceed 100 % of the total allowance.
- (10) The exemptions under paragraph 2 shall apply to the import of a total of 4 litres of still wine and to the import of a total of 16 litres of beer.
- (11) The exemptions under paragraphs 6 through 10 shall not apply in the case of travellers under 17 years of age.
- (12) The exemptions under paragraph 2 shall apply, in the case of any one means of motor transport, to the fuel contained in the standard tank and a quantity of fuel not exceeding 10 litres contained in a portable container.
- §48b**  
Tax guarantee in the case of importation of goods
- (1) The customs office may require that a tax guarantee be lodged in the case of importation of goods exempt from tax pursuant to §48(3) prior to their release for free circulation. The tax guarantee shall be lodged by the person who would have been obliged to pay the tax if the tax exemption pursuant to §48(3) had not been applied, corresponding to the amount of the tax which that person would have been obliged to pay if the tax exemption pursuant to §48(3) had not been applied. The tax guarantee may be provided in the form of a cash deposit made to the account of the customs office or in the form of a bank guarantee provided by a bank<sup>4b)</sup> without reservations.
- (2) The amount of the tax guarantee and the deadline for its payment shall be specified by a decision issued by the customs office. No appeal may be filed against the decision on the tax guarantee. If the person referred to in paragraph 1 above fails to provide the tax guarantee within the deadline and in the amount specified in the decision, the customs office shall not apply the tax exemption pursuant to §48(3).
- (3) The customs office shall release the tax guarantee within ten days of the submission of evidence that the transport of goods ended in another Member State, except as provided in paragraph 4 below. The evidence that the transport of goods ended in another Member State is a document on the receipt of goods by the customer in that another Member State. The document on the receipt of goods must contain the following:
- a) the name and surname of the customer, or the business name of the customer, and the address of its seat, place of business, establishment, domicile or address of the place of its habitual residence;

- b) the quantity and type of goods;
- c) the address of the place and date of the receipt of goods in another Member State where the goods have been transported by the supplier, or the address of the place and date of the end of transport where the goods have been transported by the customer;
- d) the name and surname of the natural person who received the goods, in block letters, and his/her signature;
- e) the registration plate number of the land motor vehicle used in the transport of goods.

(4) If any doubts as to the truthfulness and correctness of the submitted document on the receipt of goods by the customer in another Member State occur, the customs authority shall verify the truthfulness and correctness of the document. The customs office shall release the tax guarantee within ten days following the day when the customs office received information from a competent financial authority of another Member State confirming the truthfulness and correctness of the document submitted pursuant to paragraph 3 above; if the truthfulness and correctness of the document submitted pursuant to paragraph 3 above is not confirmed, the customs office shall impose the tax and use the tax guarantee to pay the tax due.

(5) If the person that has lodged the tax guarantee fails to submit to the customs office the document on the receipt of goods pursuant to paragraph 3 above within 60 days of the release of those goods for free circulation, the customs office shall impose the tax and use the tax guarantee to pay the tax due.

## Deductions

### § 49

#### Deductions by Taxpayers

(1) The right to deduct the tax on goods or service shall accrue to the taxpayer on the day when a tax liability in respect of these goods or service arises.

(2) The taxpayer may deduct tax on goods and services, which he uses for supplies of goods and services as a taxpayer except for under the paragraphs 3 and 7, from the tax he is obliged to pay. The taxpayer may deduct the tax if the tax is

- a) claimed against him by another taxpayer within the territory of the country in respect of goods and services which have been or are to be supplied to the taxpayer,
- b) applied by him for services and goods for which he is liable for payment of tax according to § 69 Article 2 to 4, 7 and 9 to 12,
- c) claimed by itself on the acquisition of goods within the territory of the country from another member state in accordance with sections 11 and 11a,
- d) paid to the tax administrator within the territory of the country upon the importation of goods.

(3) A taxpayer may not deduct the tax on goods and services as per paragraph 2, which he uses for supplies of goods and services that are exempt from the tax pursuant to §§ 28 to 42, except for insurance services as per § 37 and financial services as per § 39, where these are rendered to the customer who does not have his seat, place of business, fixed establishment or domicile within the territory of European Union or where these services are directly associated with the exportation of goods outside the territory of the European Union. A taxpayer who supplies investment gold exempt from tax under § 67(3) and taxpayer who acts as an agent in the supply of investment gold exempt from tax according to § 67(3), may not deduct the tax on goods and services pursuant to the paragraph 2, which he uses for such supply, except from tax on goods and services pursuant to § 67(5) and (6)

(4) If the taxpayer uses goods and services for the supply of goods and services, where it can deduct the tax and at the same time for the supply of goods and services, where it cannot deduct the tax in accordance with paragraph 3, the payer is obliged to calculate the aliquot sum of the tax in accordance with section 50.

(5) The taxpayer that acquires its fixed assets defined as depreciable assets according to the special provision<sup>26)</sup> and during the acquisition of these assets it is assumed that the assets would be used for the purpose of its business activities as well as for other purpose, can decide, with the exception of capital goods referred to in §54(2)(b) and (c), not to deduct a part of the tax corresponding to the scope of use of the fixed assets for other purposes than for business activities. If the taxpayer decides not to deduct a part of the tax corresponding with the scope of use of the fixed assets for other purposes than business activities, using the fixed assets for other purposes than business activities within this scope is not considered to be a supply of goods for consideration (section 8 paragraph 3) or the supply of services for consideration (section 9 paragraph 2). If the taxpayer uses the received services and the acquired assets, other than the fixed assets defined as the depreciated assets according to the special provision<sup>26)</sup>, for the purposes of its business activities as well as for other purposes, the payer shall deduct only the part of the tax corresponding to the scope of utilization for business activities, if the taxpayer deducts expenses (costs) on the consumed fuels in the form of flat-rate expenses pursuant to a separate regulation<sup>24b)</sup> and is unable to demonstrate the scope in which the fuels have been consumed for the purpose of his business and for other than business purposes, the taxpayer may deduct the tax paid on the purchase of such fuels up to the amount of flat-rate expenses pursuant to a separate regulation.<sup>24b)</sup>. This does not influence the provision of paragraph 4.

(6) A taxpayer may also deduct the tax in the case that he uses the goods and services for doing business outside the country where this tax would be deductible should this activity be performed within the territory of the country.

(7) A taxpayer may not deduct the tax in respect of:

- a) the purchase of goods and services for the purposes of treat and entertainment,
- b) suspense items as per § 22(3).

(8) When operating an enterprise following the announcement of a bankruptcy, a taxpayer may only deduct the tax on goods and services used for the operation of this enterprise; the taxpayer may not deduct the tax on goods and services used for the maintenance and administration of a bankrupt's estate and on goods and services which form a cash expense of the administrator in bankruptcy and constitute a claim against the bankrupt's estate.

(9) The taxpayer registered for tax pursuant to §5 who meets the conditions for a tax refund pursuant to §55a, cannot seek the deduction of tax on goods and services by means of a tax return except for the deduction of tax on goods and services which the taxpayer used for the supply of goods and services in respect of which the taxpayer is a person liable to pay the tax pursuant to §69(1).

#### §49a

The taxpayer shall only deduct tax charged on capital goods referred to in §54(2)(b) and (c), which are included in the property of the taxpayer, and which the taxpayer uses for business purposes as well as for purposes other than business, within the scope in which such capital goods are used in business. This is without prejudice to the provision of §49(4).

#### § 50

##### Pro Rata Deduction

(1) A deductible tax proportion in accordance with § 49(4) shall be calculated by a taxpayer as the product of the tax and a coefficient calculated in accordance with paragraph 2 and rounded up to two decimal points.

(2) The coefficient shall be calculated as a fraction having, as numerator, the revenue (income), excluding the tax, from goods and services for a calendar year, in respect of which the tax is deductible, and as denominator, the revenue (income), excluding the tax, from all goods and services for the calendar year. When calculating the coefficient, there shall not be included, either in the numerator or denominator, the revenue (income) from

- a) the sale of an undertaking or a part thereof, which forms an independent organisational branch,
- b) the sale of property which the owner used for the purposes of his business, except for inventories,
- c) financial services exempt from the tax under § 39, if provided by the taxpayer incidentally,
- d) an incidental transfer of immovable property and an incidental lease thereof.

(3) During individual tax periods of a calendar year, a taxpayer shall apply the coefficient from the previous calendar year. Where a coefficient from the previous calendar year cannot be applied, a taxpayer shall estimate the coefficient for the calendar year in question according to the nature of his activities, subject to approval from the tax administrator.

(4) On the lapse of a calendar year, a taxpayer shall calculate, in the manner as per paragraph 2, the coefficient based on the data concerning the calendar year ended and shall calculate the deductible tax for this calendar year. In the last tax period of the calendar year, a taxpayer shall clear the difference between the tax deducted in individual tax periods and the tax calculated in accordance with the first sentence to the expense or benefit of the state budget. The same procedure will also be followed by a taxpayer who became a taxpayer during the calendar year, or ceased to be a taxpayer during the calendar year, namely for the period of the calendar year in which he was in the position of taxpayer.

(5) Where the taxpayer's accounting period is identical with a financial year, for the purposes of paragraphs 2 to 4 a calendar year shall mean a financial year.

#### § 51

##### Exercise of the Right to Deduct

(1) A taxpayer may exercise the right to deduct tax in accordance with section 49, provided that

- a) in respect of deductions under § 49(2a), he holds an invoice drawn up by the taxpayer in accordance with § 71,
- b) in the case of a tax deduction in accordance with section 49 paragraph 2 letter b), the tax shall be stated in the records in accordance with section 70,
- c) in respect of deductions under § 49(2c), he holds an invoice from the supplier from another Member State and,
- d) in respect of deductions under § 49(2d), he holds an import document confirmed by the customs authority, specifying him either as consignee or importer.

(2) The taxpayer shall execute a deduction of tax under § 49(2)(a),(c) or (d) no sooner than in the taxation period, in which the right for tax deduction arises, and no later than in the last taxation period of the calendar year, in which the right for tax deduction arises, if he holds, up to the expiration of the time limit for filing the tax return for the taxation period in which the taxpayer exercises the right for tax deduction, a document referred to in paragraph 1(a)(c) or (d). If the taxpayer does not hold the document referred to in paragraph 1(a)(c) or (d) up to the expiration of the time limit for filing the tax return for the last taxation period of the calendar year in which the right for tax deduction arises, the taxpayer shall execute a deduction of tax in the taxation period within which he obtains the document referred to in paragraph 1(a)(c) or (d). The taxpayer shall execute a deduction of tax under § 49(2)(b) no sooner than in the taxation period in which the right for tax deduction arises, and no later than in the last taxation period of the calendar year in which the right for tax deduction arises.

(3) Where the taxpayer's accounting period is financial year, for the purposes of paragraph 2 a calendar year shall mean a financial year."

(4) The taxpayer shall deduct the tax in such a way that he deducts the total sum of deductible tax for the applicable taxation period from the total sum of the tax for the applicable taxation period.

#### § 52

##### Deduction in Respect of Supply of a New Means of Transport



At the time of supply of a new means of transport, the right to deduct the tax included in the purchase price or paid on importation or on acquisition of this new means of transport within the territory of the country from another Member State shall arise to a person who incidentally supplies such means of transport from the country to another Member State, namely to the amount not exceeding the tax which this person would have to pay in the case of his obligation to pay the tax upon the supply of a new means of transport from the country to another Member State. The right to deduct the tax may only be exercised in respect of a month, during which the new means of transport is supplied.

## § 53

### Correction of Deductions

(1) Where the taxable amount is corrected in accordance with § 25 with a resultant decrease in the taxable amount, a taxpayer who deducted the tax shall be obliged to correct the deduction so made. The deduction shall be corrected in a tax period, during which the taxpayer received a document concerning the taxable amount correction.

(2) Where the taxable amount is corrected in accordance with § 25 with a resultant increase in the taxable amount, a taxpayer who deducted the tax shall be entitled to correct the deduction so made. The deduction shall be corrected in a tax period, during which the taxpayer received a document concerning the taxable amount correction.

(3) Where the tax paid on importation of goods was subsequently refunded, either fully or partly in dependence on customs regulations, a taxpayer shall be obliged to correct the deduction. The deduction shall be corrected in a tax period, during which the customs authority refunded the tax.

(4) Where the tax paid on importation of goods was subsequently increased pursuant to customs regulations, a taxpayer shall be entitled to correct the deduction. The deduction shall be corrected in a tax period, during which the tax paid to the customs authority was subsequently increased.

(5) In cases of theft of goods in respect of which a taxpayer deducted the tax, the taxpayer shall be obliged to transfer the tax equal to the deduction; where the goods are subject to depreciation in accordance with a separate regulation,<sup>26)</sup> the taxpayer shall reduce the tax to be transferred for a proportional part of the tax corresponding with the depreciation charge. If the stolen goods was subject to lease with an agreed right to purchase the leased thing, the payer will pay tax reduced by the tax already paid by him for that goods, but to a maximum of the amount of the deducted tax. The taxpayer shall transfer the tax in a tax period in which he reveals the theft of the goods.

(6) Where the tax rate is corrected with the resultant decrease in the tax, the taxpayer who deducted the tax is obliged to correct the deduction in the same tax period in which the correction to the tax rate was made, or in the first subsequent tax period. Where the tax rate is corrected with the resultant increase in the tax, the taxpayer who deducted the tax has the right to correct the deduction in the same tax period in which the correction to the tax rate was made, or in the first subsequent tax period. The taxpayer is not obliged to correct the tax rate or deduction where an incorrect tax rate has been applied to the acquisition of goods within the territory of the country from another Member State or to the supply of goods or services if the acquirer or consignee is obliged to pay the tax, provided that the taxpayer is entitled, in the case of such taxable transaction, to deduct the tax to the full extent.

## § 54

### Adjustment of Deductions in Respect of Capital Goods

(1) A taxpayer shall adjust the tax deduction, if during a period following a tax period of acquisition of capital goods or their self-generation at own expense, he alters the purpose of their use.

(2) For the purposes of this Law, capital goods is

- a) movable property whose acquisition price, excluding the tax, or the at-cost value is EUR 3,319.39 and above, and whose service life is more than one year,
- b) buildings, building lands, flats, and non-residential premises,
- c) building superstructures, extensions and remodelling of buildings, apartments and non-residential premises requiring a building permit under a separate regulation.<sup>27)</sup>

(3) A change in the purpose of use of investment property occurs if the payer

- a) uses the investment property for which he deducted tax for deliveries of product and services without the option to deduct tax, or for deliveries of products and services with the option to deduct tax proportionally,
- b) uses capital goods, in respect of which he was not entitled to deduct the tax, for supplies of goods and services subject to the right to deduct or for supplies of goods and services subject to the right to deduct a proportion of the tax,
- c) uses the investment property for which he deducted the proportional amount of tax for deliveries of products and services with the option to deduct tax or for deliveries of product and services without the option to deduct tax; a change in the purpose of use of the investment property for which the payer deducted the proportional amount of tax is also considered to be a change in the amount of the annual co-efficient (section 50 par. 4) by a value exceeding 0.10.

(4) The adjustment of deduction following a change in the purpose of use of capital goods under paragraph 1 shall be spread over five calendar years, including the year in which the goods are acquired or self-generated by a taxpayer at his own expense, with the exception of capital goods referred to in paragraph 2 subparagraphs b) and c), where a period for building modifications is 20 calendar years, and a period for adjustment of deductions shall start to lapse in a year when the capital goods were put in use for the first time. Where the taxpayer supplies capital goods referred to in paragraph 2 subparagraphs b) and c) prior to their introduction into service and he changes the purposes of their use, he shall adjust the tax deduction in a calendar year of the supply of capital goods.

(5) A taxpayer shall effect the adjustment to the tax deduction in the last tax period of a calendar year, in which he changed the purpose of use of the capital goods. In making adjustments to deductions, the taxpayer shall proceed in accordance with Annex 1. For the purposes of calculating the adjustment of a deduction made in respect of capital goods, the tax that cannot be deducted by the taxpayer shall be treated as a tax deduction of 0.

(6) A taxpayer shall not effect the adjustment of a tax deduction where the absolute value, which is to express the changed purpose for which capital goods are used, is equal to 0.10 and less; the value expressing the changed purpose for which capital goods are used shall be a difference between figure A and figure B in accordance with Annex 1.

(7) If, during a period for adjustment of the tax deduction, a taxpayer supplies capital goods subject to the tax, until the lapse of this period for adjustment such capital goods shall be treated as if used for business purposes subject to the option of tax deduction. If, during a period for adjustment of the tax deduction, the taxpayer supplies capital goods exempt from the tax, until the lapse of this period for adjustment such capital goods shall be treated as if used for business purposes with tax exemption.

(8) Where the taxpayer's accounting period is identical with a financial year, for the purposes of paragraphs 4 and 5 a calendar year shall mean a financial year.

#### §54a

(1) The taxpayer shall adjust the deducted tax if in the course of the period following after the tax period, in which he put the capital goods referred to in §54(2)(b) and (c) to use, he changes the scope of use of such capital goods for business purposes and for purposes other than business.

(2) The time period for the adjustment of tax deduction pursuant to paragraph (1) represents 20 calendar years, including the year in which the taxpayer put the capital goods referred to in §54(2)(b) and (c) to use. Where the taxpayer supplies capital goods referred to in §54(2)(b) and (c) before they are put to use, he shall adjust the tax deduction in the calendar year of goods supply.

(3) The taxpayer shall effect the adjustment of the tax deduction in the last tax period of the calendar year, in which he changed the scope of use of the capital goods referred to in §54(2)(b) and (c), for each calendar year until the lapse of the period stipulated for the adjustment of tax deduction, including the calendar year in which he changed the scope of use of such goods. When adjusting the tax deduction, the taxpayer shall apply the formula included in Annex 1.

(4) If, in the course the tax deduction adjustment period, a taxpayer supplies capital goods referred to in §54(2)(b) and (c) subject to tax, then until the lapse of the tax deduction adjustment period such capital goods shall be treated as if used for business purposes only. If, in the course the tax deduction adjustment period, a taxpayer supplies capital goods referred to in §54(2)(b) and (c) exempt from tax, then until the lapse of the tax deduction adjustment period such capital goods shall be treated as if used only for purposes other than business.

#### § 55

##### Deduction of Tax on Registration of Taxpayers

(1) A person that became a payer may deduct tax related to property acquired before the day that the person became a payer if such property was not included in tax expenses according to a specific regulation,<sup>27a)</sup> in calendar years preceding the calendar year in which the person became a payer, except for stock. A payer will decrease tax for property that is depreciated property according to a specific regulation,<sup>26)</sup> by a proportional part of the tax corresponding to the depreciation; a payer that is not an accounting entity will use the same procedure for decreasing the deductible tax as a payer that is an accounting entity. A taxpayer shall not be entitled to tax deductions where not using the property for supplies of goods and services as the taxpayer.

(2) A taxpayer may deduct the tax in accordance with paragraph 1 to the extent and under the conditions referred to in §§ 49 to 51.

(3) A person who failed to meet the obligation to file the tax registration application or who filed the tax registration application with a delay of more than 30 days, shall have the right to deduct, for the period in which such person should have been a taxpayer, a tax that is different from tax referred to in paragraph 1 relating to goods and services used for the supply of goods and services, and shall do so to the extent and under conditions pursuant to § 49 and 51. Deduction of tax shall be applied in the same tax return in which tax according to § 78(9) is presented. The period, in which the person should have been a taxpayer, shall mean the period starting on the 31st day following the last day of the time limit within which the person was obliged to submit a tax registration application.

(4) A foreign person who failed to meet the obligation to file the tax registration application or who filed the tax registration application with a delay, is entitled, for the period in which that person should have been a taxpayer, to the deduction of tax relating to goods and services used in the supply of goods and services, within the scope and under the conditions pursuant to §49 and 51. The tax deduction shall be made in the same tax return in which the tax pursuant to §78(9) is stated. The period during which the foreign person should have been a taxpayer commences on the day when the first taxable transaction was performed by that person in the territory of the country, for which a tax liability would have arisen to that person if it had had the status of a taxpayer.

##### Refund of Tax to a foreign person from another Member State

#### §55a

(1) A foreign person who has a seat, place of business, fixed establishment or domicile in another Member State, or has a habitual residence in another Member State, and requests a tax refund (hereinafter the "applicant") shall be entitled to the refund of the tax on the goods and services supplied to him by the taxpayer within the territory of the country and to the refund of the tax charged upon the importation of goods within the territory of the country, subject to the conditions and to the extent specified in paragraphs (2) to (5) and in §55b to §55e.

(2) An applicant shall be entitled to tax refund if

(a) the applicant is identified for tax purposes in the Member State in which he has a seat, place of business, fixed establishment, domicile or habitual residence;

- (b) during the period in respect of which application for tax refund has been filed the applicant did not have a seat, place of business, fixed establishment, domicile or habitual residence within the territory of the country;
  - (c) during the period in respect of which application for tax refund has been filed the applicant did not supply goods or services within the territory of the country, except for
    1. transportation services and complementary services exempt from tax pursuant to §47(6),(8),(10) and (12) and §48(8),
    2. services and goods supplied together with installation or assembly, provided that the recipient is the person liable to pay the tax pursuant to §69(2) and (3);
    3. goods pursuant to §13(1)(e) and (f), if the person to whom such goods are supplied is the person liable to pay the tax pursuant to §69(9);
    4. goods from the territory of the country to another Member State, imported from a third country by an applicant represented by a tax representative pursuant to §69a, or
    5. goods within a trilateral transaction according to §45, where the applicant participated as the first customer and the person liable to pay the tax as the second customer.
- (3) The applicant shall be entitled to tax refund if he carries out taxable transactions that give rise to a right of deduction in the Member State in which he has a seat, place of business, fixed establishment, domicile or habitual residence. If the applicant carries out in the Member State in which he has a seat, place of business, fixed establishment, domicile or habitual residence taxable transactions that give rise to a right of deduction and, at the same time, taxable transactions that do not give rise to a right of deduction, only a proportion of the tax calculated according to the rules applicable in the Member State in which he has a seat, place of business, fixed establishment, domicile or habitual residence, shall be refundable to the applicant.
- (4) The applicant shall be entitled to tax refund if the tax was deductible according to §49.
- (5) The applicant shall not be entitled to the refund of a tax which the supplier has not claimed in accordance with this Act or to the tax claimed in respect of the goods the supply of which is or may be exempt from tax pursuant to §43 or §47(2). If the applicant applies special tax arrangements for travel agencies, he shall not be entitled to the refund of the tax in respect of tourism services.

#### §55b

- (1) In order to claim tax refund, the applicant shall submit an electronic refund application via the electronic portal set up by the Member State in which the applicant has a seat, place of business, fixed establishment, domicile or habitual residence. The refund application must be submitted no later than by 30 September of the calendar year following the period in respect of which the refund is claimed. The Tax Office Bratislava shall electronically notify the applicant, without delay, of the date on which the refund application has been received.
- (2) The refund application must contain:
- (a) the applicant's surname and forename, or business name, and address of his seat, place of business, fixed establishment, domicile or habitual residence;
  - (b) the applicant's electronic address;
  - (c) description of the applicant's business activity in respect of which the goods or services have been acquired, plus the corresponding numerical code under a separate regulation,<sup>27b)</sup>
  - (d) period of time pursuant to §55c(1) to which the application relates;
  - (e) declaration by the applicant of his compliance with the condition of §55(2)(c),
  - (f) the applicant's tax identification number or his tax registration number allocated in another Member State;
  - (g) information on the applicant's bank account, including the International Bank Account Number (IBAN) and Bank Identifier Code (BIC).
- (3) In addition to the information specified in paragraph (2), the refund application must contain data from each invoice for the supply of goods or services and from each importation document in respect of which the applicant requests tax refund, namely:
- (a) surname and forename, or business name, of the supplier and address of his seat, place of business, fixed establishment, domicile or habitual residence;
  - (b) the supplier's tax identification number allocated within the territory of the country, except for importation of goods;
  - (c) the date of the invoice issue, invoice number and the date and number of the importation document;
  - (d) taxable amount and the amount of tax in euro;
  - (e) the deductible tax amount pursuant to §55a(3) and (4);
  - (f) where applicable, the proportionate deductible tax amount pursuant to §55a(3) expressed as a percentage;
  - (g) numerical code pursuant to paragraph (4) pertaining to the goods or services acquired and, where numerical code 10 is indicated, the type of the goods or services acquired;
  - h) a code of closer specification pursuant to a separate regulation<sup>27ba)</sup>, if numerical code 9 pursuant to paragraph (4)(i) below is used.
- (4) The following numerical codes shall be used to identify the type of goods and services:
- (a) numerical code 1 for fuel;
  - (b) numerical code 2 for the hiring of means of transport;
  - (c) numerical code 3 for expenditure relating to means of transport, other than those relating to the goods and services referred to in (a) and (b);
  - (d) numerical code 4 for charges for the use of roads and motorways;
  - (e) numerical code 5 for travel expenses relating to passenger transport;
  - (f) numerical code 6 for accommodation services;
  - (g) numerical code 7 for food, drink and restaurant services;
  - (h) numerical code 8 for admissions to fairs and exhibitions;
  - (i) numerical code 9 for expenditure on luxuries, amusements and entertainment;
  - (j) numerical code 10 for other goods and services than those referred to in (a) to (i).
- (5) Where the taxable amount on an invoice or importation document is EUR 1,000 or more, where the invoice concerns fuel, EUR 250 or more, the applicant shall submit by electronic means, together with the refund application, a copy of the invoice or importation document.
- (6) The applicant shall provide the information in the refund application, as well as any other additional information required under paragraphs (1) and (2) of §55d, in the Slovak language.
- (7) If the applicant is represented by a representative, the provision of a separate regulation<sup>27bb)</sup> does not apply to the representative.

#### §55c

(1) The refund application shall be submitted for a period of not more than one calendar year and the amount of the tax refund claimed shall not be less than 50 EUR. The refund application may be submitted for a period of less than one calendar year, but not shorter than three calendar months, provided that the amount of the tax refund claimed is not less than EUR 400. The tax refund may relate to a period of less than three months provided that such period represents the remainder of a calendar year and the amount of the tax refund claimed is not less than EUR 50.

(2) The refund application relates to:

- (a) the purchase of goods or services invoiced during the refund period, provided that the tax became chargeable before or at the time of the invoicing, or in respect of which the tax became chargeable during the refund period, provided that the purchase was invoiced before the tax became chargeable
- (b) the importation of goods which took place during the period to which the refund application relates.

(3) A refund application may also relate to invoices or importation documents not covered by the previous refund applications, which relate to the transactions completed during the calendar year in question.

(4) If subsequent to the submission of a refund application the deductible proportion of the tax is adjusted according to the laws of the applicant's Member State, the applicant shall make a correction to the tax amount applied for or already refunded.

(5) The correction referred to in paragraph (4) shall be made in the refund application relating to the calendar year following the calendar year in respect of which the applicant claimed tax refund. If, during the calendar year following the calendar year in respect of which the applicant claimed tax refund, the applicant makes no refund application, the applicant shall make a correction in a separate declaration via the electronic portal set up by the Member State in which the applicant has a seat, place of business, fixed establishment, domicile or habitual residence.

#### §55d

(1) The Tax Office Bratislava shall notify the applicant of its decision on the refund application within four months of the receipt of application, subject to the exceptions stipulated in paragraphs (5) and (6). Should reasonable doubts arise as to the accuracy of a particular tax refund claim, the Tax Office Bratislava may, within the time limit specified in the first sentence, request by electronic means the applicant, competent authorities of the Member State in which the applicant has a seat, place of business, fixed establishment, domicile or habitual residence, or any from other person, to provide additional information; the requests to persons other than the applicant or competent authority of the Member State in which the applicant has a seat, place of business, fixed establishment, domicile or habitual residence may be sent electronically provided that the addressees have appropriate electronic means of communication at their disposal.

(2) If the additional information is insufficient, the Tax Office Bratislava may request further additional information. The request for additional information and the request for further additional information is deemed delivered on the day when a data message is dispatched to the applicant's electronic address indicated on the refund application, to the electronic address of the relevant bodies of Member States or the electronic address of other persons; the provision of a separate regulation<sup>27bc)</sup> does not apply to delivery.

(3) The 'additional information' referred to paragraph (1) and the 'further additional information' referred to in paragraph (2) also include the originals or copies of invoices or importation documents of relevance to the refund claim, including those where the taxable amount is lower than the taxable amount mentioned in §55b(5).

(4) The person requested by the Tax Office Bratislava to provide additional information and further additional information pursuant to paragraphs (1) and (2) shall provide the requested information within one month of the date on which the request has been delivered.

(5) If the Tax Office Bratislava requests additional information pursuant to paragraph (1), it shall notify the applicant of its decision on the refund application within two months of the receipt of the requested information; if the Tax Office Bratislava does not receive the requested information, it shall notify the applicant of its decision within two months of the expiry of the time limit specified in paragraph (4); should the two-month time limit for notification expire earlier than six months of the receipt of application, the Tax Office Bratislava shall notify its decision no later than within six months of the receipt of application.

(6) If the Tax Office Bratislava requests further additional information pursuant to paragraph (2), it shall notify the applicant of its decision on the refund application no later than within eight months of the receipt of application.

(7) If the Tax Office Bratislava decides to refund the tax, it shall make the refund no later than within ten working days from the expiry of the respective time limit for the notification of its decision on the refund application pursuant to paragraphs (1), (5) or (6).

(8) The Tax Office Bratislava shall transfer the tax refund to an account kept with a local bank or, based on the applicant's request, to an account with a foreign bank in another Member State. If the refund is transferred to a bank account in another Member State, any bank charges for the transfer of funds shall be deducted from the tax refund.

(9) Any decision to refuse a refund application, in whole or in part, must contain the grounds for refusal. The applicant may appeal against a decision to refuse a refund application in whole or in part in a manner and within the time limit laid down in a separate regulation.<sup>27c)</sup>

(10) Where a tax has been refunded on the basis of untrue information or the refund has been obtained in a fraudulent way, the applicant shall pay to the Tax Office Bratislava any such wrongly refunded tax plus a penalty imposed pursuant to a separate regulation.<sup>27d)</sup> Unless the applicant pays the imposed penalty, the Tax Office Bratislava shall have the right to suspend any further refund up to the unpaid penalty amount.

(11) The Tax Office Bratislava shall refund the tax for the period of one calendar year to which the refund application relates, adjusted upwards or downwards for the amount of correction according to paragraphs (4) and (5) of §55c. If correction is made through a separate declaration pursuant to §55c(5), the Tax Office Bratislava decide on the upward or downward adjustment on the basis of such separate declaration on tax correction.

(12) For the purposes of paragraphs (1), (5) and (6), the decision shall be deemed notified upon dispatch of the data message to the electronic address stated in the refund application.

#### §55e

(1) Unless the Tax Office Bratislava makes a tax refund to the applicant within the time limit specified in §55d(7), the applicant shall be entitled to interest at a rate determined pursuant to a separate regulation.<sup>27e)</sup>

(2) The applicant shall not be entitled to the interest referred to in paragraph (1) if he failed to provide additional information or further additional information within the time limit specified in §55d(4) or if he fails to submit a copy of the invoice or importation document pursuant to §55b(5).

## Application for tax refund in another Member State

### §55f

(1) A taxpayer registered pursuant to §4 or §4b shall apply for tax refund in the Member State in which he received goods or services or to which he imported goods by filing an electronic refund application via the electronic portal of the Tax Directorate of the Slovak Republic. A taxpayer registered pursuant to §4 may file a refund application provided that in the Member State in which he claims tax refund the applicant does not have a seat, place of business, fixed establishment, domicile or habitual residence. The refund application must be filed no later than by 30 September of the calendar year following the period in respect of which the refund is claimed. The content of the refund application shall be governed, *mutatis mutandis*, by the provisions of paragraphs (2) to (4) of §55b; unless the refund application contains the required information, it shall not be deemed filed.

(2) The manner in which refund applications is filed shall not be subject to a separate regulation.<sup>27f)</sup>

### §55g

(1) The Tax Directorate of the Slovak Republic shall send to the taxpayer, without delay, electronic confirmation of the receipt of application.

(2) The Financial Directorate of the Slovak Republic shall not dispatch the refund application to the Member State to which it is addressed if, during the period in respect of which refund is claimed, the taxpayer was not a taxpayer or if he carried out solely activities giving no right to tax deduction. The Tax Office Bratislava shall electronically notify the taxpayer of the non-dispatch of his application."

## Tax refund to a foreign person from third country

### §56

(1) A foreign person who does not have a seat, place of business, fixed establishment, domicile or habitual residence within the territory of the European Union (hereinafter "foreign person from a third country") shall be entitled to the refund of the tax charged on the movable property and services supplied by a taxpayer within the territory of the country and to the refund of the tax charged on the importation of goods, subject to the conditions stipulated in paragraph (2).

(2) A foreign person from a third country shall be entitled to tax refund provided that

- (a) the foreign person is identified for the purposes of such tax or a similar general tax on consumption in the country where he has a seat, place of business, fixed establishment, domicile or habitual residence;
- (b) during the period in respect of which application for tax refund has been filed, the foreign person did not have a seat, place of business, fixed establishment, domicile or habitual residence within the territory of the European Union;
- (c) during the period in respect of which application for tax refund has been filed, the foreign person did not supply goods or services within the territory of the country, except for
  1. transportation services and the related complementary services exempted from tax in accordance with §47(6), (8), (10) and (12), and §48(8),
  2. services and goods supplied together with installation or assembly, provided that the recipient is the person liable to pay the tax (§69(2) and (3));
  3. goods pursuant to §13(1)(e) and (f), provided that the person to which such goods are supplied is the person liable to pay the tax (§69(9));
  4. e) goods from the territory of the country to another Member State, imported from a third country by a foreign person represented by tax representative pursuant to §69a;
  5. goods within a trilateral transaction pursuant to §45, where the foreign person participated as the first customer and the person liable to pay the tax as the second customer.
- (d) the tax would be deductible pursuant to §49.

(3) A foreign person from a third country shall not be entitled to the refund of the tax which the supplier did not charge in accordance with this Act or the tax charged in respect of the goods the supply of which is or may be exempt from tax pursuant to §43 or §47(2).

### §57

(1) A foreign person from a third country shall claim the refund of tax by filing an application for tax refund with the Bratislava I Tax Office; the model form of the refund application is presented in Annex 2. The refund application shall be submitted for a period of one calendar year, no later than by 30 June of the calendar year following the calendar year in respect of which the refund is claimed. A foreign person from a third country may file a refund application provided that the refund amount is not less than EUR 50.

(2) To his refund application, a foreign person from a third country shall attach:

- (a) the original of an invoice issued by the taxpayer within the territory of the country, which shows the amount of tax in euros and, in the case of importation of goods, the relevant importation document and a document confirming tax payment,
- (b) a certificate issued by the tax authority of the state in which the foreign person from a third country has a seat, place of business, fixed establishment, domicile or habitual residence, evidencing that the foreign person is identified for the purposes of this tax or a similar general tax on consumption; the certificate may not be of an earlier date than a year ago. The model form of the certificate is presented in Annex 3.

(3) In his application for tax refund, the foreign person from a third country must declare that:

- (a) he meets the conditions specified in §56(2);
- (b) the data stated in the refund application are true;
- (c) he undertakes to transfer back any wrongly refunded tax.

### §58

(1) The Tax Office Bratislava shall decide on the application for tax refund within six months of the day on which the application has been filed. The Tax Office Bratislava shall return the invoices and importation documents attached to the refund application to the foreign person from a third country within 60 days of their submission and, prior to returning them, may mark such invoices and importation documents.

(2) If the Tax Office Bratislava decides to refund the tax, it shall do so within the time limit for taking a decision on the application referred to in paragraph (1). The Tax Office Bratislava shall transfer the tax refund in euros to an account kept with a local bank or, if so requested by a foreign person from a third country, to an account with a foreign bank in another state. If the refund is transferred to a bank account in another state, any

bank charges for the transfer of funds shall be deducted from the tax refund. The Tax Office Bratislava may also refund the tax through the representative of a foreign person from a third country provided that the representative presents to the tax office a power of attorney authorising him to represent the foreign person from a third country for the purposes of tax refund. If a foreign person from a third country is represented by a representative, the provision of a separate regulation<sup>27(b)</sup> does not apply to the representative.

(3) Any decision to refuse a refund application, in whole or in part, must contain the grounds for refusal. A foreign person from a third country may appeal against a decision to refuse refund application, in whole or in part, in a manner and within the time limit laid down in a separate regulation.

(4) Where a tax has been refunded on the basis of untrue information or the refund has been obtained in a fraudulent way, the Tax Office Bratislava shall impose a penalty pursuant to a separate regulation.<sup>27(d)</sup> Unless the foreign person from a third country transfers back the wrongly refunded tax or pays the penalty, the Tax Office Bratislava shall have the right to refuse other applications for tax refunds during two calendar years following the filing of the tax refund application based on untrue information.

(5) A foreign person from a third country shall not be entitled to the refund of tax on goods and services if the country in which the foreign person has a seat, place of business, fixed establishment or domicile does not refund tax to the taxable persons who are taxpayers under this Act.”

#### Tax Refund to Travellers on Export of Goods

##### § 59

(1) A natural person who does not have permanent or temporary residence within the territory of the European Union and who, during his travels, exports goods of non-commercial nature in personal luggage from the territory of the Community, may apply for the refund of tax paid as part of the price of exported goods, which he purchased within the territory of the country from a taxpayer, with the exception of motor fuels.

(2) For the purposes of paragraph 1, the permanent and temporary residence shall be the place entered in the travel passport. If such data is not entered in the travel passport, a traveller shall give evidence thereof by way of another credible document.

(3) A traveller may apply for the tax refund, provided that

- a) the total value, including the tax, of exported goods specified on a document attesting to the purchase of goods exceeds EUR 175,
- b) he has a document attesting to the purchase of goods, drawn up by the taxpayer,
- c) the exportation of goods is effected no later than within three months of the end of the month, in which the goods are purchased,
- d) the exportation of goods is confirmed by a customs office of the Member State, from which the goods leave the territory of the European Union, on a form to be issued by the Ministry of Finance of the Slovak Republic (hereinafter „the tax refund form“).

(4) The tax refund shall be claimed from a taxpayer who sold the goods or a person authorised by the taxpayer to refunding of the tax.

(5) The entitlement to tax refund shall expire where documents referred to in paragraph 3 are not submitted to a taxpayer or authorised person within six months of the end of the month, in which the goods are sold.

##### § 60

(1) On sale of goods, a taxpayer may upon request issue a refund print form, in which he shall state the following data:

- a) his business name and tax identification number,
- b) the date of sale of goods,
- c) the type and quantity of goods sold,
- d) the selling price including the tax, the tax rate and the amount of tax,
- e) the traveller's first name, surname and domicile.

(2) On verifying the legitimacy of such a claim for refund (§ 59(3 to 5)), the tax shall be refunded on the basis of a submitted document on the purchase of goods and the refund print form, in which the exportation of goods is confirmed by a customs authority.

(3) The tax refunded pursuant to paragraph 2 shall be stated by a taxpayer in his tax return for a tax period, in which the tax is refunded. The taxpayer shall be obliged to keep records of tax refunds by individual tax periods. In such records, the taxpayer shall give the sequential number of a refund print form and the amount of tax.

(4) Refund print forms shall be filed by a taxpayer for a period of ten years of the end of a calendar year, in which he claimed the refund in his tax return.

#### Refund of Tax to Persons Enjoying Privileges and Immunities under International Law and Exemption from Tax

##### § 61

(1) Persons from other countries who enjoy the privileges and immunities under the international law<sup>23)</sup> and international organisations<sup>24)</sup> and their staff (hereinafter the „foreign official“) shall be entitled to the refund of tax paid as part of the price of goods and services intended for their consumption.

(2) Foreign officials shall be

- a) diplomatic missions and consular offices based within the territory of the Slovak Republic, except for consular offices headed by honorary consuls,
- b) diplomatic missions and consular offices accredited for the Slovak Republic and based outside the territory of the Slovak Republic, except for consular offices headed by honorary consuls,
- c) international organisations or regional bureaus of international organisations (hereinafter the „international organisation“) established under international treaties,

- d) diplomatic representatives of missions who are not citizens of the Slovak Republic and do not permanently reside in the Slovak Republic,
- e) consular officers who are not citizens of the Slovak Republic and do not permanently reside in the Slovak Republic, except for honorary consuls,
- f) administrative and technical staff of missions who are not citizens of the Slovak Republic and do not permanently reside in the Slovak Republic,
- g) consular staff who are not citizens of the Slovak Republic and do not permanently reside in the Slovak Republic, except for the staff of consular offices headed by honorary consuls,
- h) staff of international organisations who are not citizens of the Slovak Republic, do not permanently reside in the Slovak Republic and have been permanently assigned to official posts in the Slovak Republic.

(3) The tax shall only be refunded to foreign officials from those countries, which provide such refunds or similar concessions to persons from the Slovak Republic. Where another country does not provide such refunds or similar concessions to persons from the Slovak Republic to the extent of refunds made by the Slovak Republic, the refund of tax to foreign officials from such a country shall only be awarded to the extent of refunds provided by this country to persons from the Slovak Republic. Where another country provides such refunds or similar concessions to persons from the Slovak Republic to the extent greater than the one provided by the Slovak Republic, the refund of tax to foreign officials from such a country shall be awarded to the extent of refunds provided by this country to persons from the Slovak Republic. The reciprocity in accordance with this paragraph shall not apply to international organisations and their staff.

(4) A foreign official as per paragraph 2 subparagraph a) shall be refunded the tax, paid as part of the price of goods and services, up to the maximum amount of EUR 99,581.76 per calendar year. The said limit shall not include the tax paid as part of the price of cars, motor fuels, structures and construction work.

(5) With regard to a foreign representative referred to in section 2 letter c), the person will be refunded tax paid in the price of goods and services up to the amount of EUR 99,581.76 per calendar year. The said limit shall not include the tax paid as part of the price of cars and motor fuels.

- (6) A foreign official as per paragraph 2 subparagraphs a) and c) shall be refunded the tax paid
- a) as part of the price of one passenger car per each accredited member or officer over a period of two years,
  - b) as part of the price of the maximum of three commercial cars over a period of two years, including the tax paid as part of the price of motor fuels,
  - c) as part of the price of motor fuels per passenger car equal to the maximum of 4 000 litres per year.

- (7) A foreign official as per paragraph 2 subparagraphs d) to g), whose diplomatic mission or consular office is based within the territory of the Slovak Republic, shall be refunded the tax paid as part of the price of goods and services for personal consumption, except for the tax paid as part of the price of a passenger car and motor fuels up to the yearly limit. A yearly limit on the tax refund shall be
- a) EUR 3,319.39 for the head of a mission,
  - b) EUR 3,319.39 for the head of a consular office,
  - c) EUR 2,655.51 for a member of the diplomatic corps,
  - d) EUR 1,991.64 for a member of the administrative and technical staff.

(8) A foreign representative in accordance with paragraph 2 letters d) and e), whose diplomatic mission or consular authority has a seat within the territory of the Slovak Republic, shall be refunded the tax paid within the price of two passenger cars over two years and the tax paid within the price of 3,200 litres of fuel per year, and a foreign representative in accordance with paragraph 2 letters f) and g), whose the diplomatic mission or consular authority has a seat within the territory of the Slovak Republic, shall be refunded the tax paid within the price of one passenger car over two years and the tax paid within the price of 3,200 litres of fuel per year.

(9) A foreign official as per paragraph 2 subparagraph b) shall be refunded the tax paid as part of the price of goods and services, up to the maximum amount of EUR 8,298.48 per calendar year.

- (10) A foreign official as per paragraph 2 subparagraphs d) to g), whose diplomatic mission or consular office is based outside the territory of the Slovak Republic, shall be refunded the tax paid as part of the price of goods and services intended for personal consumption, except for the tax paid as part of the price of a passenger car up to the yearly limit. A yearly limit on the refund of tax shall be
- a) EUR 1,659.70 for the head of a mission,
  - b) EUR 1,659.70 for the head of a consular office,
  - c) EUR 995.82 for a member of the diplomatic corps,
  - d) EUR 497.91 for a member of the administrative and technical staff.

(11) A foreign official as per paragraph 2 subparagraph h) shall be refunded the tax paid as part of the price of goods and services intended for personal consumption, except for the tax paid as part of the price of a passenger car and motor fuels of up to the maximum amount of EUR 1,991.64 per calendar year.

(12) A foreign official as per paragraph 2 subparagraph h) shall be refunded the tax paid as part of the price of one passenger car for his personal consumption over a period of two years and the tax paid as part of the price of 3 200 litres of motor fuels per year.

(13) If, within two years of the registration of passenger or commercial cars, which are assigned the EE or ZZ diplomatic registration numbers, and in respect of which the tax is refunded under paragraphs 6, 8 and 12, these cars are destroyed or stolen, a foreign official shall be refunded the tax paid as part of the price of yet another passenger or commercial car. If, prior to the lapse of two years of the registration in accordance with the first sentence of a car in respect of which a foreign official has claimed the refund of tax, the foreign official sells or donates this car, he shall be obliged to transfer the refunded tax back; this shall not apply in cases where the foreign official sells or donates the car to another foreign official. Where a foreign official as per paragraph 2 subparagraphs d) to h) claims the refund of tax paid as part of the price of a passenger car and his official stay in the Slovak Republic is brought to an end before the lapse of two years from the registration of this car, he shall transfer back the proportional part of the tax attributable to a period still remaining to lapse till the end of those two years.

(14) A foreign official as per paragraph 2 subparagraph a) shall be refunded the tax paid on supply of a structure and construction work, provided that their price, including the tax, does not exceed EUR 3,319.39; if the price including the tax exceeds EUR 3,319.39, the tax shall only be refunded in the case that the sending country confirms to the Ministry of Foreign Affairs of the Slovak Republic that such claims for refunds or similar concessions are awarded to Slovak diplomatic missions and consular offices to the same extent.

(15) Supply of goods to a foreign official in a customs warehouse authorised under a separate regulation<sup>6)</sup> shall be exempt from the tax. The exemption from tax shall be granted to no more than the extent to which the refund is allowed under paragraphs 4, 5, 7, 9, 10 and 11, with the refund entitlement being proportionally reduced. The details on the exercise of exemption from tax and refund of tax shall be defined in a provision issued by the Ministry of Finance of the Slovak Republic, which shall be declared in the Collection of Laws of the Slovak Republic.

## § 62

(1) A foreign representative shall file his/her claim for refund of tax by filing an application for refund of tax to the Tax Office Bratislava on the form, a specimen of which may be found in Annex No. 4. An annex to the application for refund of the tax to the foreign representative is an acknowledgement by the Ministry of Foreign Affairs of the Slovak Republic of meeting the condition of reciprocity in accordance with section 61 paragraph 3. The application for tax refund shall be filed for the period of a calendar quarter-year no later than 30 days after the end of the quarter-year.

(2) To his application for the refund, a foreign official must attach the original of an invoice or another document attesting to the purchase of goods or services from the taxpayer, giving the amount of tax in euros and confirming the payment of tax. If the country sending the foreign representative according to section 61 par. 2 letter a) enables tax refund based on submission of a copy of an invoice or other document confirming the purchase of a goods or service from the payer, the foreign representative may attach a copy of the documents confirmed by the mission manager or the consular office manager to the application for tax refund instead of an original invoice or other document confirming the purchase of a goods or service from the payer.

(3) A foreign official may only claim the refund of tax in the event that the sum total of price, including the tax, per one document on the purchase of goods or services, except for a document on the purchase of motor fuels, is at least EUR 33.19. Where another country makes the refund of tax to persons from the Slovak Republic conditional on a document on the purchase of goods or services stating the sum total of price greater than EUR 33.19, a foreign official from this country may claim the refund of tax against a document giving the sum total of price equal to at least the amount as determined by this country.

(4) The Tax Office Bratislava shall attach its official seal to all invoices and other documents on the purchase of goods and services appended to the application for refund and it shall have them returned to a foreign official within 60 days of filing the application for refund for the respective calendar quarter.

(5) The Tax Office Bratislava shall refund a foreign official the tax to an account maintained in a bank in the Slovak Republic within 60 days of filing the application for refund for the respective calendar quarter.

(6) A foreign official may claim the tax refund for a period not later than the calendar quarter following the quarter, in which the goods or service are supplied, otherwise the entitlement shall cease.

## §62a

### Tax refund to the European Union and international organisations

The European Union, the European Atomic Energy Community and bodies established by them, the European Central Bank and the European Investment Bank are entitled to a refund of tax on domestic purchases of goods and services within the scope and under the conditions laid down in an international treaty<sup>21a)</sup> if the Slovak Republic is a host state for their bodies.”

## § 63

### Tax Refunds to Armed Forces

(1) Armed forces of another State, which is party to the North Atlantic Treaty or participates in the Partnership for Peace, shall be entitled to the refund of tax paid as part of the price of motor fuels, oils and lubricants for business cars, aircraft and ships of armed forces or of civilian staff accompanying them, and as part of the price of foodstuffs and catering services for their messes and canteens, provided that these forces take part in the common defence effort.

(2) Armed forces of another State shall apply for the refund at the Tax Office Bratislava through the Ministry of Defence of the Slovak Republic. Documents on the purchase of goods and services, stating the amount of tax in euros, must be attached to the application for refund.

(3) If the goods and services referred to in paragraph 1 are supplied by the Ministry of Defence of the Slovak Republic to armed forces of another State, the Ministry of Defence of the Slovak Republic is entitled to claim tax refund on the goods and services supplied. The refund shall be claimed by filing an application for refund with the Tax Office Bratislava. Documents on the purchase of goods and services, stating the amount of tax in euros, and documents on the supply of goods and services to armed forces of another State, must be attached to the application for refund.

## § 64

### Tax Refunds to Non-Profit Organisations Providing Community Services and the Slovak Red Cross

(1) A non-profit organisation providing community services<sup>28)</sup> and the Slovak Red Cross may apply for the refund of tax paid as part of the price of goods, which they exported outside the territory of the European Union for humanitarian, charitable or educational purposes.

(2) A non-profit organisation providing community services and the Slovak Red Cross shall exercise their right to the tax refund by filing an application with the Tax Office Bratislava. The application for refund must be accompanied with

a) a document on the purchase of goods from the taxpayer, stating the amount of tax in euros and confirming the payment of tax,



b) a written customs declaration on the exportation of goods.

## Special Tax Arrangements

### § 65

#### Special Tax Arrangements Applicable to Travel Agencies

(1) A taxpayer who procures tourism services from other taxable persons and acts in his own name vis-à-vis the customers to whom he sells goods/services (hereinafter the “travel agency”) is obliged to proceed in compliance with paragraphs 2 to 9. Tourism services procured from other taxable persons, the travel agency’s own services and a margin charged by the travel agency shall be deemed to be the supply of a single service by the travel agency to a customer.

(2) A travel agency may not deduct the tax in respect of tourism services procured from other persons.

(3) The taxable amount in respect of the sale of tourism services shall be a positive difference between the total selling price demanded from the customer and the sum of prices of tourism services procured from other persons, including the travel agency’s own services. This difference shall constitute the travel agency’s margin, which is deemed to be the price plus the tax.

(4) Where a travel agency supplies its own service, in calculating the tax in accordance with paragraph 3, it shall include this service, together with the tax, in the total selling price demanded from the customer, whereas in respect of the supply of its own service it shall incur a separate tax liability.

(5) A tax liability in respect of the sale of tourism services to the customer shall arise on the day of rendering the last service; where a payment is received prior to the provision of the last service, the tax liability shall arise on the day of receiving each individual payment.

(6) If, in deducting the tax, a travel agency is obliged to proceed in accordance with paragraph § 50, it shall not state, either in the numerator or denominator, tourism services procured from other persons when calculating the coefficient.

(7) A travel agency’s margin shall be exempt from the tax, provided that the tourism services procured from other persons are rendered outside the territory of the European Union. Where the tourism services procured from other persons are partly rendered outside the territory of the European Union and partly inside the territory of the European Union, only a proportion of the travel agency’s margin attributable to the services rendered outside the territory of the European Union shall be exempt from the tax.

(8) A travel agency, which sells tourism services on behalf and for the account of another travel agency, shall only claim the tax in respect of such brokerage of tourism services, except for the intermediary activities exempt from the tax under § 47(12). Brokerage of tourism services on behalf and for the account of another travel agency, as long as such services are partly rendered outside the territory of the European Union and partly inside the territory of the European Union, shall be exempt from the tax on a proportional basis.

(9) A taxpayer operating a travel agency and proceeding in accordance with paragraphs 1 to 7 shall be obliged to maintain detailed records on tourism services procured and sold in order to determine the taxable amount in accordance with paragraph 3.

(10) A travel agency shall not apply a procedure in accordance with paragraphs 1 to 7, when selling tourism services to a taxable person for his business purposes.

### § 66

#### Special Tax Arrangements Applicable to Works of Art, Collectors’ Items, Antiques and Second-Hand Goods

(1) For the purposes of this provision

- a) works of art and collectors’ items shall be the objects listed in Annex 5,
- b) antiques shall be objects other than the works of art or collectors’ items, which are more than one hundred years old,
- c) second-hand goods shall mean tangible movable property that is suitable for further use as it is or after repair, other than works of art, collectors’ items, antiques, and other than precious metals and precious stones,
- d) a dealer shall be a taxable person who, in the course of his business, purchases or acquires within the territory of the country from another Member State, or imports with a view to resale, second-hand goods, works of art, collectors’ items or antiques, whether that person is acting for himself or on behalf of another pursuant to a contract under which commission is payable on purchase or sale,
- e) the submission of used goods to the lessee based on a contract of lease with an agreed right to purchase the leased item, in which case the ownership right to the leased item shall forthwith shift from the lessor to the lessee, is a sale of used goods.

(2) When selling works of art, collectors’ items, antiques and second-hand goods, supplied to him within the territory of the European Communities, a dealer shall be obliged to apply the special arrangements, as long as the said goods are supplied by

- a) a person not identified for tax purposes either within the territory of the country or in another Member State,
- b) a person identified for tax purposes within the territory of the country or in another Member State, and the supply of goods is exempt from the tax under § 42 or under the corresponding statutory provision applicable in the other Member State,
- c) another dealer, who claims the tax under the special arrangements hereunder or under a law applicable in another Member State.

(3) The taxable amount in respect of sale of goods pursuant to paragraph 2 shall be a positive difference between the selling price and purchase price, less the tax. In the case of the sale of used goods in accordance with paragraph 1 letter e), the tax base shall be divided according to the first sentence aliquotly according to the sums of the individual instalments, while section 19 paragraph 3 refers to the tax obligation.

(4) For the purposes of the paragraph 3

- a) the selling price is everything that creates consideration received or should have been received from the purchasing party or a third party by the trader, including subsidies directly connected with the considerations, taxes, customs, fees and related costs (expenses), such as commission, cost

of packing, transport and insurance required by the trader from the purchasing party, except for temporary items and discounts, and in the case of the sale of used goods in accordance with paragraph 1 letter e), the total sum of instalments agreed in the contract of lease shall be included in the selling price,

b) the purchase price shall mean everything which constitutes the consideration defined in subparagraph a), paid, or to be paid by the dealer to the supplier.

(5) A dealer may also apply the special tax arrangements in respect of the supply of

a) works of art, collectors' items and antiques imported thereby; in such cases the purchase price pursuant to paragraph 4 shall mean everything which constitutes the taxable amount in respect of importation of goods, and the tax assessed by a customs authority,

b) works of art supplied by their creator or his successor in title.

(6) If, in respect of cases pursuant to paragraph 5, a dealer decides to apply the special tax arrangements, he shall be obliged to do so for at least two calendar years.

(7) When purchasing goods pursuant to paragraph 1 from a dealer applying the special arrangements, a taxpayer may not deduct the tax attributable to the taxable amount in accordance with paragraph 3.

(8) A dealer applying the special arrangements may not deduct the tax

a) paid in respect of the importation of works of art, collectors' items and antiques, which he imported,

b) claimed against him on supply of a work of art by the creator or his successor in title.

(9) A dealer applying the special arrangements shall be obliged to maintain separate records on selling and purchase prices of goods with a view to determining the taxable amount in accordance with paragraph 3.

(10) A dealer applying the special arrangements may not separately state the amount of tax in any document on the sale of goods in accordance with paragraph 1.

(11) A trader may decide to use the regular treatment of tax with the delivery of goods according to section 1 by application of tax from a taxable amount according to section 22 par. 1 to 4. If a dealer decides to apply the regular tax regime, he may deduct the tax

a) paid in respect of the importation of works of art, collectors' items and antiques, which he imported,

b) claimed against him on supply of a work of art by the creator or his successor in title.

(12) A dealer may deduct the tax in accordance with paragraph 11 not earlier than in a tax period, in which a tax liability rises on supply of goods, to which the tax to be deducted relates.

(13) The special tax arrangements shall not apply to new means of transport (§ 11(12)) supplied from the territory of the country to another Member State.

(14) Acquisition of second-hand goods, works of art, collectors' items and antiques within the territory of the country from another Member State, where the seller is a dealer from the other Member State or an organiser of the sale by public auction from the other Member State and the said goods have been taxed under the special tax arrangements in another Member State, in which the dispatch or transport of goods started, shall not be deemed to be acquisition of goods within the territory of the country from another Member State pursuant to § 11.

(15) The provisions on distance selling of goods and exemption from the tax in respect of supply of goods to another Member State pursuant to § 43 or § 45 shall not apply to supply of second-hand goods, works of art, collectors' items and antiques subject to the special arrangements.

## § 67

### Special Tax Scheme for Investment Gold

(1) For the purposes of this provision, investment gold shall mean

a) gold, in the form of a bar or a wafer of weights accepted by the bullion markets, of a purity equal to or greater than 995 thousandths,

b) gold coins which are of a purity equal to or greater than 900 thousandths and are minted after 1800 and are or have been legal tender in the country of origin, and are normally sold at a price which does not exceed the open market value of the gold contained in the coins by more than 80 %.

(2) The National Bank of Slovakia shall issue the list of gold coins meeting the criteria referred to in paragraph 1(b). The list shall be published in the Gazette of the National Bank of Slovakia. By 1 July of each year, the National Bank of Slovakia shall advise the European Commission of gold coins traded in the Slovak Republic.

(3) Exempt from the tax shall be supply of investment gold, acquisition of investment gold from another Member State and importation of investment gold, including investment gold represented by certificates for allocated or unallocated gold or traded on gold accounts and including gold loans and swaps, involving a right of ownership or claim in respect of investment gold, as well as transactions concerning investment gold involving futures and forward contracts leading to a transfer of right of ownership or claim in respect of investment gold. Exempt from the tax shall be services of agents who act in the name and for the account of another when they intervene in the supply of investment gold.

(4) A taxpayer who produces investment gold or transforms any gold into investment gold may decide to tax supplies of investment gold to another taxpayer. Services of agents who act in the name and for the account of another may also be taxed, as long as such services concern supplies of investment gold, which the taxpayer decided to tax.

(5) A taxpayer, who supplies investment gold exempt from the tax, may deduct the tax

a) claimed by himself in respect of supply of investment gold by another taxpayer, who exercised the option to tax under paragraph 4,

b) claimed against him in respect of supply of gold other than investment gold by another taxpayer, which is subsequently transformed, either by himself or for his account, into investment gold,

- c) claimed by himself in respect of acquisition of gold other than investment gold within the territory of the country from another Member State, which is subsequently transformed, either by himself or for his account, into investment gold,
- d) paid on importation of gold other than investment gold, which is subsequently transformed, either by himself or for his account, into investment gold,
- e) claimed against him in respect of supply of services by another taxpayer, which consisted of modification of shape, weight or purity of gold, including investment gold.

(6) A taxpayer, who produces investment gold or transforms any gold into investment gold, may deduct the tax in respect of goods and services obtained with a view to such activities.

## § 68

### Special Scheme for Non-Established Persons Supplying Electronically Supplied Services

(1) For the purposes of this provision

- a) a non-established person shall mean a person who does not have his seat, place of business, fixed establishment or domicile within the territory of the European Union and is not identified for tax purposes either within the territory of the country or in another Member State,
- b) electronically supplied services shall mean the services referred to in § 16(18),
- c) a Member State of identification shall mean the Member State which a non-established person chooses to contact to state when he commences the supply of electronic services within the territory of the European Union,
- d) a Member State of consumption shall mean the Member State in which the supply of electronic services is deemed to take place according to § 16(14),
- e) a tax return shall mean the statement containing the information necessary to establish the amount of tax that has become chargeable in each Member State.

(2) Where a non-established person supplying electronic services to a non-taxable person, who is established or has his permanent address or usually resides within the territory of the country, decides to get identification in the territory of the country, the Tax Office Bratislava shall issue to this non-established person a permit to apply the special scheme. The non-established person shall be obliged to apply the special scheme to all electronically supplied services within the European Union.

(3) A non-established person shall be obliged to electronically notify the Tax Office Bratislava of the commencement and termination of his activities or changes in his activities to the extent disqualifying him from the special tax scheme. Such a notice of commencement of activities must contain the business name, address, electronic address, including web sites, the national tax number, if any, and the statement that the person is not identified for the tax purposes within the European Communities. A non-established person must give a notice of any changes in the aforementioned data.

(4) The Tax Office Bratislava shall assign a tax identification number to the non-established person, and shall notify him of this number by electronic means.

(5) The Tax Office Bratislava shall withdraw the tax identification number from a non-established person, if

- a) he notifies the Tax Office Bratislava that he no longer supplies electronic services,
- b) it can be assumed that his activities have ended,
- c) he no longer fulfils the requirements necessary to be allowed to use the special tax scheme, or
- d) he repeatedly violates the obligations under the special tax scheme.

(6) A non-established identified person shall be obliged to submit by electronic means a tax return for each calendar quarter, even if electronic services are not supplied. The tax return shall be filed within 20 days following the end of a calendar quarter to which the return refers.

(7) In his tax return, a non-established person shall be obliged to state

- a) the tax identification number, and
- b) the total value, less the tax, of electronically supplied services for the tax period, the amount of tax and the tax rate, broken down by Member States of consumption where tax became due, and the total value of tax.

(8) A non-established identified person shall state the data in a tax return in euros. Where a payment for electronically supplied services is made in a currency other than euros, an exchange rate ruling on the last day of a tax period, published by the European Central Bank for that day, or, if the rate is not published on that day, then the rate published on the next day shall be applied to convert such payment into euros.

(9) A non-established identified person shall be liable to pay the tax in euros within 20 days following the end of a calendar quarter.

(10) A non-established identified person shall not be entitled to deduct the tax under § 49; he shall be entitled to claim the refund of tax under § 56, whilst not having to meet the condition referred to in § 56(2c) and § 58(5).

(11) A non-established identified person shall be obliged to keep records on electronic services supplied under the special scheme, on the scope sufficient to enable the tax administration in a Member State of consumption to establish that the amount of tax in the tax return is correctly stated. A non-established identified person shall be obliged to make these records available electronically on request to the Tax Office Bratislava and to the tax administrator in the Member State of consumption. A non-established person shall file these records for a period of ten years from the end of the year when the electronic services were supplied.

## § 69

### Persons Liable for Tax Payment to the Tax Administrator

(1) A taxpayer, who supplies goods or services within the territory of the country, shall be liable to pay the tax, unless provided otherwise by this Act.

(2) A taxable person with the seat, place of business, fixed establishment or domicile within the territory of the country, shall be liable to pay tax in respect of the services listed in §16, paragraphs (1) to (4), (10) and (11), and the goods supplied together with the installation or assembly, which are supplied by a foreign person from another Member State or a foreign person from a third country, if the place of supply of the service or goods is within the territory of the country.

(3) A taxable person and a legal person which is not a taxable person and is registered for tax purposes pursuant to §7 shall be liable to pay tax in respect of a service supplied by a foreign person from another Member State or by a foreign person from a third country if the place of service supply pursuant to §15(1) is within the territory of the country.

(4) For the purposes of determining the person liable to pay the tax pursuant to §69, also a person with a fixed establishment within the territory of the country shall be considered a foreign person as long as that fixed establishment is not involved in the supply by such person of the goods or services within the territory of the country.

(5) Each person, that states the tax on an invoice or another document on the sale of goods, shall be liable to pay this tax.

(6) In the case of the acquisition of goods from another member state within the territory of the country, the person that acquired the goods in accordance with sections 11 and 11a is obliged to pay tax.

(7) The tax in respect of a trilateral transaction in accordance with § 45 is to be paid by a person who is the second customer.

(8) The tax in respect of importation of goods is to be paid by a person who is a debtor pursuant to customs regulations, or by the consignee, if, in the case of importation of goods, the debtor pursuant to customs regulation is a foreign person who is a holder of a single authorisation pursuant to a separate regulation<sup>28a)</sup> issued by a customs authority of another Member State, provided that the debtor will not use imported goods for the purposes of his own business activities.

(9) The payer or person registered for tax according to section 7 or 7a to whom a product is delivered according to section 13 par. 1 letters e) and f) is obliged to pay tax on the product if it is delivered by a foreign person.

(10) If gold is supplied in the form of raw material or semi-finished product, the purity of which equals to or is greater than 325 thousandth, the tax for such goods shall be paid by the taxpayer to whom such gold was supplied. If the supply of gold as per the first sentence is mediated by an agent who acts in the name and for the account of another person, the tax shall be paid by the taxpayer who is the recipient of mediated service.

(11) When investment gold under § 67(1)(a) is supplied by a taxpayer who opted for taxation under § 67(4), the tax shall be paid by the taxpayer to whom such gold was supplied. If the supply of gold as per the first sentence is mediated by an agent who acts in the name and for the account of another person, the tax shall be paid by the taxpayer who is the recipient of mediated service.

(12) The taxpayer who is the recipient of a supply from another taxpayer shall be obliged to pay the tax attributable to

- a) the supply of metal waste and scrap metal in the territory of the country; metal waste and scrap metal means metal waste and scrap metal generated as part of manufacturing or metalworking processes and metal items that are broken, cut, worn or otherwise rendered unusable;
- b) the transfer of greenhouse gas emission quotas under a separate regulation<sup>28b)</sup> in the territory of the country;
- c) the supply of immovable property or a part thereof in the territory of the country, where the supplier has opted for taxation of the supply pursuant to §38(1);
- d) the supply of immovable property or a part thereof in the territory of the country sold by a debtor recognised by a court or another state authority under a compulsory sale procedure;<sup>28c)</sup>
- e) the supply of goods that constitute collateral securing a creditor's receivable in the exercise of the right arising from that receivable;<sup>28d)</sup> in the case of a collateral assignment, the recipient of the transaction means the taxpayer whose receivable has been secured and the taxpayer who has acquired the collateral.

(13) The taxable person having the seat, place of business, establishment or domicile in the territory of the country that has not complied with the obligation to submit a tax registration application or has submitted the tax registration application with a delay of more than 30 days, and the foreign person that has not complied with the obligation to submit a tax registration obligation or has submitted the tax registration application with a delay, shall be obliged to pay the tax, for the period during which they should have been the taxpayers, for the supply of goods and services in the territory of the country which they supplied over that period, with the exemption of the tax on the supply of goods and services in respect of which the person liable to pay tax is the recipient of the transaction, pursuant to paragraph 2, 3 and 9.

(14) The taxpayer that has been supplied or is to be supplied goods and services in the territory of the country shall be held liable pursuant to §69b for the tax arising from the previous stage, as stated on an invoice, if the supplier failed to pay the tax stated on the invoice or became unable to pay that tax, provided that, at the time when the tax became chargeable, the taxpayer knew or, based on sufficient reasons, should or could have known that the entire tax or a portion of the tax on goods or services would not be paid. A sufficient reason based on which the taxpayer should or could have known that the entire tax or a portion of the tax on goods or service would not be paid is the fact that

- a) the consideration for the supply stated on the invoice is, without any economic justification, unreasonably high or unreasonably low;
- b) the taxpayer has continued performing taxable transactions with a taxpayer with respect to which the reasons to cancel registration pursuant to §81(4)(b)(2) had occurred even after that taxpayer was published in the relevant list of persons maintained by the Financial Directorate of the Slovak Republic; or
- c) at the time when the tax became chargeable, its statutory body or a statutory body member or a member was a statutory body, a statutory body member or a member of the taxpayer that supplies the goods or services.

(15) If the tax office ascertains that reasons have occurred with respect to a taxpayer to cancel its registration pursuant to §81(4)(b)(2), the Financial Directorate of the Slovak Republic shall publish that taxpayer in the list of such persons, available at the Financial Directorate of the Slovak Republic web portal.

§ 69a

Tax representative at import of goods

(1) Importer that is a foreign person and is not a taxpayer in accordance with this Act, may have a tax representative for the purpose of exercise of exemption from the tax in accordance with section 48 paragraph 3. The tax representative shall only be a payer with its seat or domicile within the territory of the country. The tax representative shall have written full powers with an officially-attested signature and a special tax identification number allocated by the Tax Office Bratislava to represent the importer.

(2) The written authorisation in accordance with paragraph 1 shall include

- a) a declaration of the donor of power about the tax representation on behalf of and on the account of the importer for the purpose of exemption from tax in accordance with section 48 paragraph 3 and the consequent supply of the goods to another Member State,
- b) a declaration that the donor of power is a foreign person and is not a taxpayer in accordance with this Act,
- c) an authorisation from the tax representative for filing the tax return and the recapitulative statement.

(3) At the request of the payer, the Tax Office Bratislava shall issue a special certificate on assignment of a tax identification number to the tax representative, under which the tax representative shall act on behalf of the represented importer. The certificate shall be issued by the Tax Office Bratislava no later than seven days after the day of the receipt of the application. The tax representative may act on behalf of several represented importers under this special tax identification number.

(4) The tax representative is obliged to keep records on import and the consequent supply to other member states separately for every represented importer. The record must contain the surname and name, or the business name, of the represented importer and the address of its seat, place of business, establishment, domicile or habitual residence, and the number of the decision issued in a customs procedure under which the goods were placed under a proposed customs regime.

(5) The tax representative is obliged to file a tax return to the Tax Office Bratislava for the period of a calendar month on behalf of the represented importers within 25 days after the end of the quarter-year. The tax representative is obliged to attach a list of the represented importers to the tax return as well as the sums of all the tax bases of the goods declared by it separately for every represented importer.

(6) The tax representative is obliged to file a recapitulative statement for all the represented importers in accordance with section 80 to the Tax Office Bratislava for the period of a calendar month, within 20 days of the end of the calendar month.

(7) The tax representative holds the rights and duties of the represented person, within the scope of its acting on behalf of the represented importer regarding exemption from tax, in accordance with section 48 paragraph 3 based on the granted authorisation.

(8) The Bratislava Tax Office shall suspend the special certificate on the assignment of a special tax identification number from the tax representative, if the tax representative

- a) has repeatedly breached the obligations under paragraph 4 through 6;
- b) has requested revocation of the special tax identification number;
- c) did not represent any importer for a period of 12 calendar months;
- d) has ceased to be a taxpayer;
- e) was not entitled to act on behalf of the importer based on a written authorisation.

(9) If the importer that is a foreign person chooses a tax representative, it is not obliged to file an application for tax registration in accordance with section 5.

“§69b

Guaranteeing the tax

(1) The tax specified on the invoice which the supplier failed to pay within a due date pursuant to §78, or only paid a portion thereof (hereinafter the “unpaid tax”), shall be paid by the taxpayer that is held liable for tax pursuant to §69(14) (hereinafter the “guarantor”).

(2) The dissolution of the supplier without a legal successor is without prejudice to the guarantor’s obligation to guarantee the tax.

(3) The tax office competent for the supplier (hereinafter “tax office of the supplier”) shall issue a decision imposing the obligation on the guarantor to pay the unpaid tax.

(4) The tax office of the supplier shall indicate the amount of the unpaid tax in the decision pursuant to paragraph 3 above. The guarantor shall be obliged to pay the unpaid tax within the deadline of eight days of the delivery of the decision. The guarantor may file an appeal against the decision within eight days of its delivery; the appeal has no suspensory effect.

(5) With respect to the payment of the unpaid tax, the guarantor is entitled to review the file concerning the unpaid tax to the extent necessary in order to seek a remedy.

(6) If the guarantor claims an excess deduction which should be refunded pursuant to §79, the tax office of the supplier shall use this excess tax or a portion thereof to pay the unpaid tax or its portion. The use of the excess tax or a portion thereof shall be specified in a decision issued by the tax office of the supplier. The guarantor may file an appeal against the decision; the appeal has no suspensory effect. The use of the excess tax pursuant to this paragraph shall take precedence over the use of the excess tax pursuant to a separate regulation.<sup>33)</sup>

(7) If the guarantor has paid the unpaid tax and the tax office has used the excess tax to pay the unpaid tax, the tax office shall immediately return to the guarantor the amount of tax which is in excess of the amount of the unpaid tax.

(8) If the guarantor has paid the unpaid tax or a portion thereof while the unpaid tax or a portion thereof have also simultaneously been paid by the supplier and the total amount of the tax paid both by the guarantor and the supplier is in excess of the amount of the unpaid tax referred to in paragraph 1 above, the tax office shall immediately return the amount paid by the guarantor, which is in excess of the unpaid tax, to the guarantor.

## Obligations of Persons Liable for Tax Payment

### § 70

#### Keeping of Records

(1) A taxpayer shall be obliged to keep detailed records by individual tax periods on supplies of goods and services and on goods and services accepted; he shall keep separate records on supplies of goods and services to another Member State, on acquisition of goods from another Member State, on acceptance of goods and services from another Member State and on importation of goods. The records shall indicate the data necessary for the tax to be correctly established. For the purposes of tax deductions, a taxpayer shall keep records itemised by goods and services, which qualify for the tax deduction, do not qualify for the tax deduction, and qualify for a pro rata tax deduction; in the records, the taxpayer shall indicate the tax period, in which tax deduction or pro rata tax deduction was performed. A taxpayer shall also keep records on payments received prior to the supply of goods and services and on payments made prior to the supply of goods and services. A member of the group shall keep separate records on the supply of goods and services to other members of the group.

(2) The taxpayer shall keep detailed records, divided by individual tax periods, of

- a) the goods supplied pursuant to §8(3);
- b) the goods transferred pursuant to §8(4)(f), (g) and (h) from the territory of the country to another Member State;
- c) the service supplied pursuant to §9(2) and (3).

(3) A taxpayer shall keep separate records necessary to identify movable tangible property from another Member State, which he is to work on or which he is to appraise, when effecting such work for a person identified for tax purposes in another Member State.

(4) A person registered for tax purposes pursuant to §7 or §7a shall keep records of:

- a) the goods acquired from another Member State;
- b) the services supplied, with place of supply in another Member State pursuant to §15(1);
- c) the services received, in respect of which the person is liable to pay the tax pursuant to §69(3)."

(5) A taxpayer who has the tax liability on returnable packages under § 19 (10) shall keep, for the purposes of assessing the taxable amount separate records on the number of all returnable packages marketed along with goods within the territory of the country and on the number of all empty returnable packages returned from the market in the territory of the country.

(6) The taxpayer that purchases a land motor vehicle referred to in §11(11)(a) from another Member State, which is or was registered in a vehicle register in another Member State, from a person identified for tax purposes in another Member State for re-sale and these goods are dispatched or transported to the territory of the country, shall be obliged to keep records on such goods. The records on each land motor vehicle purchase must contain the following:

- a) the name and surname of the seller, or the business name of the seller, and the address of its seat, place of business, establishment, domicile or habitual residence and its tax identification number assigned in another Member State;
- b) the value of the goods;
- c) the vehicle identification number (VIN);28e)
- d) the number of kilometres travelled;
- e) the date of first entry of the goods into service;
- f) the invoice issue date;
- g) the goods acquisition date;
- h) the information which the seller is required to include in the invoice under the laws applicable in the Member State in which the dispatch or transport of the goods started on whether the goods were supplied exempt from tax or whether the seller applied a special tax arrangement for the sale of second-hand goods.

(7) The taxpayer shall be obliged to deliver to the tax office, for each tax period in which he purchased goods pursuant to paragraph 6 above, the records referred to in that paragraph 6 within the deadline for the submission of a tax return.

(8) If the taxpayer fails to deliver the records referred to in paragraph 6 to the tax office, if he delivers those records with a delay or if he provides untrue data in those records, the tax office shall impose a fine on the taxpayer up to the amount of EUR 10,000. When determining the amount of the fine, the tax office shall take into consideration the gravity of the unlawful situation.

(9) Records mentioned in paragraphs 1 to 6 shall be filed till the end of a calendar year, in which ten years will lapse from the end of the year to which they refer.

### §71

#### Invoice

(1) For the purposes of this Act,

- a) invoice means any document or message prepared in a paper or electronic form pursuant to this Act or pursuant to the laws applicable in another Member States that govern the issue of invoices;
- b) electronic invoice is an invoice that contains the data specified in §74 and has been issued and received in any electronic format; the electronic invoice may only be issued with consent from the recipient of the goods or services;
- c) authenticity of the origin of an invoice means the assurance of the identity of the supplier of goods or services, or of the person who issued the invoice on behalf of the supplier;
- d) integrity of the content of an invoice means that the content of the invoice has not been altered;
- e) electronic data interchange means the electronic transfer, from computer to computer, of data using an agreed standard to structure an electronic data interchange message.

(2) Any document or message that alters the original invoice and specifically and uniquely relates to that invoice shall also be considered an

invoice.

(3) A taxable person is required to ensure the authenticity of the origin, the integrity of the content and the legibility of an invoice from the point in time of issue until the end of the period for storage of the invoice. The means of ensuring the authenticity of the origin, the integrity of the content and the legibility of the invoice may include

- a) business control mechanisms which ensure the creation of a reliable audit trail between an invoice and documents concerning a supply of goods or services;
- b) a qualified electronic signature pursuant to a separate regulation<sup>29</sup>) or relevant legislation applicable in another Member State governing the use of a qualified electronic signature;
- c) an electronic data interchange, where the agreement relating to the exchange provides for the use of procedures guaranteeing the authenticity of the origin and the integrity of the data content;
- d) other means to ensure the authenticity of the origin and the integrity of the content of an invoice.

## §72

### Persons liable to issue invoices

(1) The taxpayer shall issue an invoice pursuant to this Act in the case of

- a) a supply of goods or services with the place of supply in the territory of the country to another taxable person or to a legal entity that is not a taxable person;
- b) a supply of goods or services with the place of supply in another Member State where the person liable to pay the tax is the recipient of the goods or services, even if the supply of goods and services is exempt from tax;
- c) a supply of goods or services with the place of supply in a third country to a taxable person;
- d) a supply of goods in the form of distance selling with the place of supply in the territory of the country;
- e) a supply of goods exempt from tax under §43;
- f) a receipt of the payment prior to the supply of goods pursuant to (a) through (d) above;
- g) a receipt of the payment prior to the supply of services pursuant to (a) through (c) above.

(2) The taxable person that is not a taxpayer and has supplied services with the place of supply referred to in §15(1) in another Member State or in a third country shall issue an invoice pursuant to this Act upon the supply of services and receipt of the payment prior to the supply of services.

(3) Any person that supplies a new means of transport from the territory of the country to another Member State shall issue an invoice pursuant to this Act for the supply of that new means of transport.

(4) An invoice may also be issued by the customer or a third person in the name and on behalf of the supplier of goods or services. The customer may issue an invoice in the name and on behalf of the supplier if a written agreement on the issue of invoices has been concluded between the supplier and the customer, which must contain the terms and conditions that must be complied with in order for the supplier to accept invoices issued by the customer. The invoice in the name and on behalf of the supplier shall be issued by the customer in compliance with the laws of a Member State in which the place of supply of goods or services is located.

(5) The responsibility for the accuracy of data contained in an invoice and for its timely preparation is borne by the supplier of goods or services even if the invoice has been issued by the customer or a third person.

(6) The obligation to issue an invoice pursuant to paragraph 1 and 2 above does not apply to a supply of goods or services with the place of supply in the territory of the country which are exempt from tax pursuant to §28 through 42 and to a supply of insurance and financial services pursuant to § 37 and 39 with the place of supply in the territory of other Member State or in a third country.

## §73

### Deadline for the issuance of invoice

An invoice referred to in §72 must be issued within 15 days

- a) of the date of supply of goods or services;
- b) of the date of receipt of the payment prior to the supply of goods or services;
- c) of the end of a calendar month in which goods exempt from tax pursuant to §43 were supplied;
- d) of the end of a calendar month in which services were supplied or payment received prior to the supply of services with the place of supply referred to in §15(1) in another Member State.

## §74

### Content of invoice

(1) An invoice issued by a person referred to in §72 must contain

- a) the name and surname of the taxable person, or the business name of the taxable person, the address of its seat, place of business, establishment, domicile or habitual residence, and its tax identification number under which the goods or services were supplied by that person;
- b) the name and surname of the recipient of goods or services, or the business name of the recipient of goods or services, the address of its seat, place of business, establishment, domicile or habitual residence, and its tax identification number, under which the customer received a supply of goods or services,
- c) the invoice sequential number,
- d) the date when the goods or services were supplied or when the payment was received, if this date can be determined and differs from the invoice issue date;
- e) the invoice issue date;

- f) the quantity and type of goods supplied or the extent and type of services rendered;
- g) the taxable amount for each tax rate, the unit price less the tax and reductions and discounts, if these are not included in the unit price,
- h) the tax rate or tax exemption applied; in the case of tax exemption, a reference shall be made to the applicable provision of this Act or of Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax as amended, or the mention "supply exempt from tax" shall be included;
- i) the amount of the tax due, in euro, with the exemption of the amount of tax applied under a special tax arrangement pursuant to §66;
- j) the mention "Self-billing", where the invoice is issued pursuant to §72(4) by the customer that is the recipient of goods or services;
- k) the mention "Reverse charge" where the recipient of goods or services is a person liable to pay the tax;
- l) the information about a new means of transport supplied, as per §11(12);
- m) the mention "Margin scheme – Travel agents" where a special arrangement pursuant to §65 is applied;
- n) the mention "Margin scheme – Second-hand goods", "Margin scheme – Works of art" or "Margin scheme – Collectors' items and antiques", depending on the type of goods with respect to which a special arrangement pursuant to §66 is applied.

(2) An invoice issued upon a supply of goods or services with the place of supply in another Member State, where the person liable to pay the tax is the recipient of goods or services, does not have to contain the data referred to in paragraph 1(g) through (i) provided that the taxable amount can be determined by a reference made to the quantity or extent and type of goods supplied or services rendered.

(3) The taxpayer and the taxable person that is not a taxpayer may issue a simplified invoice which does not contain all the data specified in paragraph 1 above. A simplified invoice means

- a) any document on the goods or services if the price, tax included, is not higher than EUR 100; the document does not have to contain the data specified in paragraph 1(b) above and the unit price referred to in paragraph 1(g) above;
- b) a document from an electronic cash register pursuant to a separate regulation<sup>29a</sup>, where the price of goods or services, tax included, paid in cash is not greater than EUR 1,000 or, if paid by other means of payment substituting cash, is not greater than EUR 1,600 and document issued by an automatic refuelling machine, where the price of the goods, tax included, paid by other electronic payment means, is not greater than EUR 1,600; the document does not have to contain the data specified in paragraph 1(b) above and the unit price referred to in paragraph 1(g) above;
- c) a stub of a road tax vignette evidencing that the toll for the use of motorways, expressways and 1st class roads in the territory of the country has been paid, which the service recipients keep after detaching the sticker part of the vignette, provided that this stub contains the business name of the service provider and its tax identification number, the date of purchase of the vignette, the price inclusive of VAT, and the tax amount due;
- d) an invoice pursuant to §71(2); the invoice must contain the sequential number of the original invoice and the data that have been altered.

(4) A simplified invoice referred to in paragraph 3(a) and (b) above shall not be issued for a supply of goods or services pursuant to §72(1)(b), (d) and (e).

(5) Where goods or services are supplied by a group, the data required to be contained in the invoice pursuant to paragraph 1(a) above mean the name and the address of the seat, place of business or establishment of a group member which supplies those goods or services, and the tax identification number of the group.

(6) Where electronic invoices are sent or made available to the same recipient in a single batch, the details common to the individual invoices may be mentioned only once where, for each invoice, all the information is accessible.

## §75

### Summary invoice

(1) The taxpayer and the taxable person that is not a taxpayer may issue a summary invoice for several separate supplies of goods or services or for several payments received prior to the supply of goods or services, which shall, however, cover a period not longer than a calendar month; a summary invoice must be issued within 15 days of the end of a calendar month.

(2) If a payment agreement which constitutes a part of a contract on the supply of electricity, gas, water or heat covers a period of not more than 12 calendar months and an agreement on rent payments which constitutes part of a lease agreement contain the data specified in §74(1), the taxpayer is not required to issue an invoice for each repeated supply of goods or services, provided that the place of supply of goods or services is located in the territory of the country and the recipient of the transaction has a seat, place of business or establishment to which the goods or services are supplied located in the territory of the country.

## §76

### Storage of invoices

(1) The taxpayer shall be obliged to store

- a) copies of invoices issued by the taxpayer or issued in his name and on his behalf by the customer or a third person, and received invoices issued by a taxable person or a third person in his name and on his behalf, for the period of ten years subsequent to the year to which they refer;
- b) received invoices pertaining to capital goods referred to in §54(2)(b) and (c), until the end of the period for the adjustment of tax deductions pursuant to §54 and 54a;
- c) import documents and export documents certified by a customs authority, until the end of a calendar year in which ten years will have passed since the end of the year to which they refer.

(2) The taxable person that is not a taxpayer shall be obliged to store

- a) copies of invoices pursuant to §72(2) issued by that person or issued in his name and on his behalf by a customer or a third person, for the period of ten years subsequent to the year to which they refer;
- b) received invoices pertaining to goods and services in respect of which that person is liable to pay the tax, for the period of ten years subsequent to the year to which they refer.



(3) The legal entity that is not a taxable person shall store received invoices for goods and services in respect of which it is liable to pay the tax for the period of ten years subsequent to the year to which they refer.

(4) Any person that sells a new means of transport to another Member State and any person that has purchased a new means of transport from another Member State shall be obliged to store the invoice on the sale or purchase of the new means of transport for the period of ten years subsequent to the year in which the sale or purchase took place.

(5) Invoices referred to in paragraph 1 through 3 must be stored in their original form in which they were sent or made available. The taxable person that stores invoices by electronic means shall be obliged to enable the tax office, for control purposes, to access, download and use such invoices.

(6) Electronic storage of an invoice means storage of data using electronic equipment for processing (including digital compression) and storage, employing wire, radio, optical or other electromagnetic means.

(7) Where an issued or received invoice has been executed in a foreign language, the taxpayer and the taxable person that is not a taxpayer shall be obliged to ensure its translation into Slovak language if so requested by the tax office for control purposes; this is without prejudice to the provision of a separate regulation<sup>29aa</sup>).

## § 77

### Tax Period

(1) A tax period applicable to a taxpayer is a calendar month, with the exception of paragraph 2 below.

(2) A taxpayer may opt for a calendar quarter year tax period provided that more than 12 calendar months have lapsed since the end of the calendar month in which he became a taxpayer and that he has not reached a turnover of EUR 100,000 for the period of previous 12 successive calendar months.

(3) If the taxpayer opts for a calendar quarter year tax period referred to in paragraph 2 above, the taxpayer shall notify the tax office of this change within 25 days of the end of the calendar month in which he met the conditions pursuant to paragraph 2. The tax period may only be changed to a calendar quarter year as of the first day of the calendar quarter year subsequent to the calendar month in which the taxpayer met the conditions pursuant to paragraph 2. If the taxpayer ceases to meet the conditions pursuant to paragraph 2 during the tax period, the ongoing tax period shall end on the last day of the calendar month in which it ceased to meet such conditions.

(4) If an enforceable declaration of bankruptcy against a taxpayer has been issued, the taxpayer's ongoing tax period shall terminate as of the day preceding the day on which the declaration of bankruptcy has been issued. The next tax period of the taxpayer shall begin as of the day on which the enforceable bankruptcy declaration has been issued and shall end as of the last day of the calendar month in which the enforceable declaration of bankruptcy has been issued. Following the end of the tax period referred to in second sentence, the tax period of such taxpayer shall be calendar month.

(5) On the day when the bankruptcy is cancelled, the ongoing tax period of a taxpayer shall terminate. The next tax period for the taxpayer shall start on the day following the cancellation of bankruptcy and end on the last day of the calendar month, in which the bankruptcy is cancelled. Following the end of a tax period referred to in the second sentence, a tax period for such taxpayer shall be a calendar month, up until the end of the calendar month, in which the bankruptcy is cancelled, and a tax period for the next calendar year shall be determined in accordance with paragraphs 1 to 4.

## § 78

### Tax Return and Tax Due Date

(1) The tax which the taxpayer shall be obliged to pay pursuant to §69 shall be payable within 25 days of the end of the tax period in which the tax became chargeable on a taxable transaction, with the exemption of the tax imposed by a customs authority on the importation of goods, which shall be payable within the deadline applicable to customs duties pursuant to customs regulations. Where a taxpayer applies tax deductions, a deductible tax shall be deducted from the total tax due, with the exemption of the tax imposed by a customs authority on the importation of goods, and this positive difference (hereinafter "the tax charged") shall be stated in a tax return.

(2) A tax return shall be submitted within 25 days of the end of each tax period by each taxpayer except with the taxpayer registered pursuant to §5 or §6 who shall submit tax returns if he became liable to pay tax under §69 during the tax period, if he supplied goods exempt from tax under §43 or §47 during the tax period, if he supplied goods under §45, or if he applies tax deductions. The taxpayer shall be obliged to pay the tax charged within 25 days of the end of the tax period.

(3) If a person, who is not a taxpayer, incurs a liability to pay the tax (§ 69), such a person shall be obliged to file a tax return within 25 days of the end of a calendar month, in which the tax liability is incurred, and to pay the tax within the same time limit, save as exemptions according to paragraph 4.

(4) On acquisition of a new means of transport from another Member State, a person who is not registered for tax purposes shall be obliged to file a tax return within seven days of such acquisition and to pay the tax within the same time limit.

(5) Any person, who incidentally acquires a new means of transport from another Member State, shall be obliged, at request from a tax office, to also attach to his tax return a certified copy of a document on such purchase and to furnish additional information necessary to correctly establish the tax.

(6) A person who is not a taxpayer and who incidentally supplies a new means of transport to another Member State, shall claim the tax deduction in his tax return. A tax office shall refund the claimed deduction within 30 days of filing the tax return.

(7) In his tax return, any person obliged to file a tax return shall state all the data necessary to calculate the total tax due and the total deductible tax, including the total value of goods and services attributable to the total tax and to the tax deduction, as well as the total value of goods and services exempt from the tax. The value of goods and services exempt from the tax shall be stated in a tax return for a tax period, in which the goods or service are supplied. The data in a tax return shall be rounded down to the nearest euro cent up to EUR 0.005 and rounded up starting from EUR 0.005.

(8) The provision of paragraphs 2 to 7 shall not apply to the filing of a tax return under the special arrangements as per § 68.

(9) A person who failed to meet the obligation to file the tax registration application or who filed the tax registration application with a delay is obliged to file one tax return, for the period in which such person should have been a taxpayer, within 60 days of the finding of the tax office that the obligation to file a tax registration application was not complied with by that person, or within 60 days of the filing of the delayed tax registration application. In the tax return, the person shall indicate the tax to be paid under § 69(13), and shall pay this tax after tax deduction under § 55(3) within the time limit for the filing of the tax return; where tax deduction under § 55(3) and (4) exceeds the tax to be paid under § 69(13), the tax office shall perform an audit and return the tax within ten days of audit completion.

## § 79

### Excess Deduction

(1) If, during a tax period, a taxpayer becomes entitled to an excess deduction, he shall deduct this excess amount from the due tax in the next tax period with exemption under paragraph 2. If the taxpayer cannot deduct excessive deduction from its own tax obligation in the following taxation period, the tax office shall return the non-deducted excessive deduction or its non-deducted part no later than 30 days after filing the tax return for the taxation period following the taxation period, in which the excessive deduction was created, or 30 days after the expiration of the period for filing the tax return if the taxpayer is not obliged to file the tax return (section 78 paragraph 1) for the taxation period following the taxation period, in which the excessive deduction was created. For the purposes of this Act, an excess deduction shall mean a positive difference between the total amount of deductible tax for the given tax period and the total amount of tax for the given tax period, except for the tax on importation of goods.

(2) The tax office shall return excess deduction within 30 days of the expiration of the time limit for the filing of a tax return for the taxation period in which the excess deduction was created, if

a) the taxpayer's taxation period is a calendar month,

b) the taxpayer has been a taxpayer for at least 12 calendar months preceding the end of the calendar month in which the excess deduction was created

c) the taxpayer did not owe, for the period of 12 calendar months preceding the end of the calendar month in which the excess deduction was created, any tax arrears or customs arrears to the tax office or the customs office, or arrears arising from mandatory social insurance contributions pursuant to separate regulations.<sup>29b)</sup>

(3) The taxpayer who meets the requirements under paragraph 2 shall indicate this information in the tax return for the taxation period in which the excess deduction was created.

(4) If, within the time limit for the excess deduction refund under paragraph (1) or (2) a notice of error corrections of the filed tax return was sent, the time limit for refund of excess deduction does not lapse as of the day of the notice delivery until the day errors are corrected.

(5) If the taxpayer claims the excess deduction or raises the excess deduction by the additional tax return filed after filing of tax return for the taxation period following the taxation period in which the excess deduction was created, the tax office shall return the excess deduction or the amount by which the excess deduction was exceeded within 30 days from filing of the additional tax return. If, after excess deduction refund under Art. 79(2), the taxpayer raises the excess deduction by the additional tax return, the tax office shall return the amount by which the excess deduction was exceeded within 30 days from the filing of the additional tax return. Where a notice to remove deficiencies in the submitted additional tax return has been sent within the time limit for refunding the excess deduction, the time limit for refunding the excess deduction is suspended for the period from the day of delivery of the notice until the day on which the deficiencies are removed.

(6) If, within the time limit for refunding the excess deduction as per paragraph (1), (2) or paragraph (5) the tax office initiates a tax audit, the tax office shall refund the excess deduction within ten days of the completion of the tax audit in the amount determined by the tax office. If, after refunding the excess deduction, there is a positive difference between the excess deduction indicated on the final decision and the excess deduction refunded as per the first sentence, the tax office shall return the difference within ten days of the date when the decision became final. If the tax office does not discover excessive deduction in the course of its tax audit initiated within the time limit for refunding the excess deduction pursuant to paragraph (1), (2) or paragraph (5) and an excessive deduction is awarded in a final decision, the tax office shall refund the excessive deduction indicated on the final decision within ten days of the date when the decision became final. If a taxpayer does not enable the performance of the tax audit within six months of its commencement date, the entitlement to a refund of the excessive deduction expires on the last day of the sixth month in the amount claimed in the tax return or additional tax return.

(7) If the excess deduction was refunded within the time limit under paragraph (2) on the basis of untrue data, the tax office shall levy a fine in amount of 1,3 % of the amount of the refunded excess deduction.

## § 80

### Recapitulative Statement

(1) The taxpayer shall be obliged to submit a recapitulative statement for each calendar month in which he:

- (a) supplied goods exempt from tax pursuant to §43(1) from the territory of the country to another Member State to a person identified for tax purposes in another Member State;
- (b) transferred goods exempt from tax pursuant to §43(4);
- (c) participated in a trilateral transaction as the first customer pursuant to §45;
- (d) supplied a service with the place of supply in another Member State pursuant to §15(1) to a taxable person or a legal person which is not a taxable person and is identified for tax purposes, and such person is liable to pay the tax.

(2) A taxpayer may also submit recapitulative statement for a calendar quarter provided that the value of the goods referred to in paragraphs (1)(a) to (c) does not exceed EUR 100,000 in both the respective calendar quarter and in the preceding four calendar quarters; the possibility to submit a recapitulative statement for a calendar quarter shall cease to exist as of the end of the calendar month in which the value of the goods referred to in paragraph (1)(a) to (c) exceeds EUR 100,000 in the respective calendar quarter, in which case the taxpayer shall submit recapitulative statements separately for each calendar month of the respective calendar quarter.

(3) Also the taxable person registered for tax purposes pursuant to §7 or §7a shall be obliged to submit a recapitulative statement for each calendar quarter in which the person supplied a service referred to in paragraph (1)(d).

(4) A recapitulative statement must contain:

- (a) tax identification number of the person submitting the recapitulative statement;
- (b) for the supply of goods according to paragraph (1)(a): tax identification number of the acquirer under which the goods were supplied to him, and the total value of goods supplied to each acquirer separately;
- (c) for the supply of goods according to paragraph (1)(b): tax identification number allocated to the taxpayer in the Member State in which the dispatch or transport of the goods ended, and the value of the goods corresponding to the taxable amount determined in accordance with § 22(6).
- (d) for a trilateral transaction according to paragraph (1)(c): tax identification number of the second customer allocated in the Member State in which the dispatch or transport of the goods ended, and the value of the goods supplied to the second customer;
- (e) for the supply of services: tax identification number of the recipient under which the service was supplied to him, and the total value of services supplied, for each recipient separately.

(5) The services exempt from taxation under the laws applicable in the Member State in which the place of supply is located shall not be presented in the recapitulative statement.

(6) The value of the supplied goods and services pursuant to paragraph (4) shall be presented in the recapitulative statement for the period in which the tax became chargeable. The data in the recapitulative statement shall be presented in euros and rounded to the whole euro: rounded down if below EUR 0.5 and rounded up of EUR 0.5 or more. If the service supplier did not receive the tax identification number from the service recipient by the end of the deadline for the submission of a recapitulative statement and the service recipient informed the supplier that he had applied for the tax identification number, the service supplier shall include the supply of the service in a recapitulative statement for the period in which the tax identification number was assigned to the service recipient.

(7) If correction of the taxable amount is made pursuant to §25, the recapitulative statement shall indicate the amount for which the taxable amount has been corrected, always for the period in which the acquirer of goods or the recipient of services was notified of the taxable amount correction.

(8) If the person who has submitted a recapitulative statement finds out, before expiry of the deadline for submission, that the information presented therein is incomplete or incorrect, he shall submit a corrective recapitulative statement. If the person who has submitted a recapitulative statement finds out, after expiry of the deadline for submission, that information presented therein is incomplete or incorrect, he shall submit an additional recapitulative statement containing only the additional or corrected information.

(9) The persons referred to in paragraphs (1) to (3) shall submit recapitulative statement by electronic means no later than within 20 days of the end of the period for which they are obliged to submit recapitulative statement. A recapitulative statement must be signed by a guaranteed electronic signature. A recapitulative statement submitted by electronic means does not have to be signed by a guaranteed electronic signature if the person who submits the recapitulative statement has concluded a written agreement with the tax office which contains, in particular, all the essentials of electronic delivery, the method of verifying the submissions made by electronic means and the means of evidencing delivery, and if the person who submits the recapitulative statement has communicated to the tax office in writing the data necessary for making such submissions, using the form available for that purpose on the website of the Tax Directorate of the Slovak Republic.

(10) A recapitulative statement shall be filed using a form the model of which shall be laid down in a decree to be issued by the Ministry of Finance of the Slovak Republic and promulgated in the Collection of Laws of the Slovak Republic upon publication of its full wording.

(11) If after filing the recapitulative statement the doubts on the correctness, truthfulness or completeness of the filed recapitulative statement or the truthfulness of the data indicated wherein arose, the tax office shall notify these doubts to the person, who filed the recapitulative statement and shall invite this person to make a statement to the data, complete the incomplete data, explain the uncertainties and correct the untrue data and prove the truthfulness of the data. Based on the notice the person who filed the recapitulative statement is obliged to correct the deficiencies of the filed recapitulative statement within 5 days from delivery of the notice.

## Deregistration

### § 81

(1) A taxpayer registered under § 4 may apply for his tax register entry to be deleted not earlier than on the lapse of one year of the day of his becoming the taxpayer, provided that his turnover has not reached the amount of EUR 49,790 for a period of the previous 12 consecutive calendar months. Taxpayers, who jointly pursue business under a contract of association, shall include in this turnover their own turnovers and the turnover from their common business.

(2) A taxpayer shall be obliged apply for deregistration, when he terminates activities subject to the tax within the territory of the country. A legal entity which is dissolved without liquidation shall be obliged to notify this fact to the tax office prior to its dissolution.

(3) A taxpayer registered under § 6 may apply for deregistration, if the total value of goods supplied in the current calendar year, excluding the tax, does not reach EUR 35,000, and concurrently the value of goods supplied in the previous calendar year, excluding the tax, did not reach EUR 35,000, provided that he does not carry on any other activities but distance selling within the territory of the country.

(4) The tax office may cancel the tax registration, if the taxpayer

1. does not, or ceased to, conduct an economic activity pursuant to §3; or
2. has repeatedly over a calendar year failed to comply with the obligation to submit a tax return, has repeatedly over a calendar year failed to pay the tax charged, has repeatedly been unavailable at the address of its seat, place of business or at the address of its establishment, or has repeatedly breached its obligations during a tax audit.

(5) The tax office shall issue a decision on deregistration in which it specifies the date upon which a legal entity or natural person ceases to be a taxpayer; this decision cannot be appealed against. Where a legal entity is dissolved without liquidation, the tax office does not issue the decision and the legal entity ceases to be a taxpayer upon the date of its dissolution. Upon the date on which a legal entity or natural person ceases to be a taxpayer, the ongoing tax period shall end and the validity of the certificate of tax registration and of the tax identification number shall expire. The legal entity or the natural person shall return its certificate of registration to the tax office within ten days of the day it ceased to be a taxpayer.

(6) In the last tax period, a taxpayer shall incur a tax liability in respect of the property, on the acquisition or self-generation of which the tax was either fully or partly deducted to his benefit, and in respect of the property he acquired subject to tax exemption (§ 10(1)) and on the acquisition or self-generation of which the tax was deducted, either in full or in part, to the benefit of the predecessor owner. The tax shall be calculated from the net book value of such property established in accordance with a separate regulation<sup>30)</sup> as of the end of the last tax period, and from the price of inventories established in accordance with a separate regulation<sup>31)</sup> as of the end of the last tax period. In calculating the tax to be transferred, a taxpayer who is not an accounting entity shall apply the same procedure as is applied by a taxpayer who is an accounting entity.

(7) Where a taxpayer deducted a proportion of the tax in accordance with § 50 or made an adjustment of the tax deduction in accordance with § 54, he shall take this into consideration when calculating the tax on property as per paragraph 6. The rate of tax applicable at the time when the tax liability originated shall be used to calculate the tax in accordance with paragraph 6.

(8) A tax liability referred to in paragraph 6 shall not arise when a taxpayer is wound up without liquidation, and his legal successor is a taxpayer or becomes such pursuant to § 4(6).

(9) Where a taxpayer corrects the taxable amount or changes the amount of tax in respect of goods or services supplied by him to a person who is no longer a taxpayer, such a person shall be obliged to transfer back to a tax office the tax deduction or its proportion attributable to the correction made to the taxable amount, provided that such tax amount has not been included in the tax liability in accordance with paragraph 6. He shall transfer back the tax deduction or its proportion within ten days of the day of drawing up the invoice.

#### § 81a

1) The tax office shall cancel the registration of the group as of 31 December of a calendar year, if the group representative files an application for group deregistration no later than by 31 October of the calendar year. Where the application for group deregistration is submitted after 31 October of a calendar year, the tax office shall deregister the group no later than by 31 December of the calendar year following the submission of the application.

(2) The tax office shall, by exercise of its official authority, deregister the group, if the requirements under § 4a are not met.

(3) The group registration certificate and tax identification number shall cease to be valid as of the group deregistration date. Members of the group are obliged to surrender their tax registration certificates to the tax office within ten days of the deregistration of the group.

(4) On the day following the date of the deregistration of the group, its rights and obligations under this Act are transferred to its members to the extent that such rights and obligations apply to any performance provided and received by group members, whereupon the group members shall become independent taxpayers; the tax office shall issue tax registration certificates and assign tax identification numbers to these taxpayers.

#### § 82

(1) A person registered under § 7 may apply for deregistration, if the total value of goods, excluding the tax, acquired within the territory of the country from another Member State in the current calendar year does not reach EUR 13,941.45, and the total value of goods, excluding the tax, acquired within the territory of the country from another Member State in the previous calendar year did not reach EUR 13,941.45.

(2) A tax office shall delete the tax register entry on request from a person in accordance with paragraph 1 on establishing his eligibility for such deregistration. Through the deregistration, the validity of the tax registration certificate and the tax registration number shall cease. Within ten days of deregistration, the person concerned shall be obliged to return the tax registration certificate to the tax office.

#### § 83

(1) No later than within 15 days of the taxpayer's death, a natural person who continues to pursue the former's business of a sole trader<sup>32)</sup> after his death (hereinafter „the successor sole trader“) shall request that the competent tax office of the testator adds a new entry in the records on the ceased taxpayer, giving the first name, surname and domicile of the successor sole trader. The tax registration certificate, including the supplement, shall be valid till the end of a tax period, in which the inheritance proceedings are completed.

(2) During a period from the testator's death till the completion of the inheritance proceedings, the successor sole trader shall be deemed to be the taxpayer. In invoices drawn up till the end of its last tax period, the successor sole trader shall state his name, surname and place of business. The successor sole trader's last tax period shall be a tax period, in which the inheritance proceedings are completed. In respect of a tax return for the last tax period, the successor sole trader shall incur a tax liability under § 81, whilst in calculating the tax he shall draw upon the price of property established as of the day of termination of inheritance proceedings. The tax liability shall not rise in respect of property settled to a heir who will

continue to pursue the business of a sole trader and who is a taxpayer or who applies for registration for tax purposes immediately after the completion of the inheritance proceedings. The tax office shall register this heir as a taxpayer as of the day of inheritance by him of the property.

(3) If, on the taxpayer's death, the business is discontinued, a tax return shall be filed by his legal successor within three months of the end of the last taxation period. In respect of a tax return for the last tax period, which is identical with a tax period in which a taxpayer ceased, the legal successor shall incur a tax liability under § 81. On the lapse of the last tax period, the validity of the tax registration certificate and the tax registration number shall cease.

#### § 84

The tax administration shall be governed by the provisions of a separate regulation,<sup>33)</sup> unless provided otherwise hereunder. In respect of importation of goods, the tax administration shall be executed by customs authorities and it shall abide by customs regulations, unless provided otherwise hereunder.

#### Transitional and Concluding Provisions

#### § 85

(1) Any period or time limit, which started to lapse before the effective date of this Act, shall be taken to be governed by the hitherto legislation, up until the time it lapses.

(2) The registration of taxpayers effected under the hitherto legislation shall be deemed to be the registration for tax purposes effected in accordance with § 4 hereof.

(3) If, on transfer or assignment of immovable property or a part thereof, which is transferred to the acquirer for use by or on 30 April 2004, no tax liability arises by and on 30 April 2004, the rise of a tax liability shall be established in accordance with the hitherto legislation.

(4) On repeated or partial supply of goods or services, in respect of which no tax liability arises by or on 30 April 2004, the rise of a tax liability shall be established in accordance with § 19 (3 and 4) hereof.

(5) Where the taxable amount in respect of a taxable transaction is corrected by or on 31 December 2003, the rate of tax applicable at the rise of the tax liability in respect of the original taxable transaction shall be applied.

(6) The deduction of tax, which relates to taxable transactions effected by or on 30 April 2004 and which relates to goods imported by or on 30 April 2004, shall abide by the hitherto legislation, save as the deduction of tax attributable to property, which a taxpayer may deduct on his registration for tax purposes.

(7) In making preliminary tax deductions in accordance with § 50 hereof for tax periods of 2004, a taxpayer shall apply the coefficient calculated in accordance with the hitherto legislation.

(8) The capital goods as per § 54, in respect of which a taxpayer made tax deductions following 31 December 2002, shall be subject to tax deduction arrangements hereunder, save as paragraph 9.

(9) Where a taxpayer was obliged to adjust the tax deducted in respect of capital goods because of a changed use of such goods in 2003, he shall apply the hitherto legislation when making other eventual changes in the purpose of use of these goods.

(10) Any applications for deregistration filed prior to the effective date hereof, a decision on which was not made by the tax office by or on 30 April 2004, shall be reviewed in accordance with § 81 hereof.

(11) On the basis of an inventory count of pharmaceuticals and therapeutical aids, a pharmacy or therapeutical aid outlet may deduct the tax on such inventories that under the hitherto legislation did not qualify for such deduction; it may deduct the tax on such inventories according to an inventory count made as of 30 April 2004.

(12) A taxpayer, whose tax period is a calendar quarter, shall be obliged to separately submit a tax return modelled on a specimen stipulated hereunder for the last two months of the second calendar quarter of 2004; the taxpayer must file the tax return for the first month of the second calendar quarter of 2004 by 25 July 2004 in accordance with a specimen tax return applicable as of 30 April 2004.

(13) Any excess deductions in respect of tax periods until 31 December 2003 shall abide by § 23 of Act of the National Council of the Slovak Republic No. 289/1995 Z. z. on Value Added Tax, as amended by legislation in force until 31 December 2003.

(14) A tax office shall refund the tax in respect of foreign aid projects under the hitherto legislation, provided that an application for the tax refund is filed with the tax office by or on 30 April 2004.

(15) Where as of 30 April 2004 goods are situated within the territory of the country and on their entry into the country they are declared to the customs office and have the status of temporarily warehoused goods or are placed under free customs zone or free customs warehouse arrangements or released under the customs warehouse procedures, inward processing procedures, temporary importation procedures, all this subject to full exemption from import duty, and such state of affairs continues till 1 May 2004, such goods shall abide by the hitherto legislation until the time when the temporary warehousing or other designation approved by customs authorities is terminated.

(16) Any goods, released under the common transit regime<sup>34)</sup> or another customs transit arrangements and such a regime prevails on 1 May 2004, shall abide by the hitherto legislation until the time this customs regime is terminated.

(17) Treated as importation of goods subject to tax shall be

- a) the exclusion of goods, including an illegitimate exclusion from the temporary importation regime, under which the goods were released by or on 30 April 2004 subject to the conditions referred to in paragraph 15, if such goods were in free circulation in a country which was a Member State as of 30 April 2004 or becomes a Member State on 1 May 2004,
- b) the exclusion of goods, including an illegitimate exclusion from the temporary warehousing regime, from their placement under customs arrangements referred to in paragraph 15, under which the goods were released and placed by or on 30 April 2004 subject to the conditions referred to in paragraph 15, if such goods were in free circulation in a country which was a Member State as of 30 April 2004 or becomes a Member State on 1 May 2004,
- c) the termination of a regime as per paragraph 16 or violation of the conditions laid on such regime by paragraph 16, which commenced on or by 30 April 2004 subject to the conditions as per paragraph 16, if such goods were in free circulation in a country which was a Member State as of 30 April 2004 or becomes a Member State on 1 May 2004, save as cases where it is proven that the goods have not been supplied for consideration by a person who is a taxable person under the law of the country in question.

(18) Where goods are exported from a country which was a Member State as of 30 April 2004 or becomes a Member State on 1 May 2004 by or on 30 April 2004, and a person, to whom such goods are supplied, uses these goods following 30 April 2004, such a use of these goods shall be treated as importation of goods subject to the tax, provided that

- a) the supply of these goods is exempt from the tax under the law of a country from which the goods are exported, and
- b) by or on 30 April 2004, the goods are not imported into the territory of the country under the hitherto legislation.

(19) The goods referred to in paragraphs 17 and 18 shall not be subject to the tax, provided that

- a) the goods are dispatched or transported to the territory of third countries,
- b) the goods as per paragraph 17 subparagraph a) are re-dispatched or re-transported to a Member State, from which they were exported, namely to the person who exported them, except for means of transport, or
- c) the goods as per paragraph 17 subparagraph a) shall be a means of transport, which is acquired or imported by or on 30 April 2004 in accordance with the taxation conditions in force in the domestic market of a country which was a Member State as of 30 April 2004 or becomes a Member State on 1 May 2004, and on its exportation is not exempt from the tax, and the tax attributable to this means of transport is not refunded; this condition shall be deemed to be met where the means of transport is used for the first time before 1 May 1996 or where the amount of tax on its importation is negligible.

(20) Goods released by the customs office of exportation under the exportation customs regime by or on 30 April 2004 that do not leave the territory of the country by or on that day, shall be treated as goods exported under § 37 of the hitherto legislation, provided that the goods left the territory of the country for a country which was a Member State as of 30 April 2004 or becomes a Member State on 1 May 2004, and the exit of these goods is proven by a taxpayer by the following documents instead of the customs authorities' confirmation:

- a) a transport document or another document of dispatch giving the place of destination, where the transport of goods is arranged by the supplier or the customer via another person,
- b) a confirmation of the acceptance of these goods by the customer or a person authorised thereby, where the transport is effected by the supplier,
- c) a declaration of the customer, or a person authorised thereby, that they have transported the goods, where the transport of these goods is effected by the customer.

#### § 85a

Temporary provisions on amendments effective from 1 January 2005

(1) The provisions of section 11a can also be exercised if a foreign person is a payer in accordance with this Act as of January 1, 2005 only due to the acquisition of goods from another member state within the territory of the country and its consequent supply in accordance with section 11 paragraph 8. The supply of goods stored for the taxpayer as on December 31, 2004 is governed by the original regulation.

(2) A foreign person shall ask for cancellation of tax registration in accordance with paragraph 1 no later than until filing a tax return for the taxation period, in which the last tax liability occurred.

(3) The special modification of tax application in accordance with section 66 does not refer to the lease of a used passenger car based on a contract of lease, if the trader has already deducted the tax by December 31, 2004 when purchasing the car.

#### § 85b

(1) The Head of the Delegation of the European Commission in the Slovak Republic is entitled to a refund of the tax paid within prices for goods and services for his/her own consumption during the period from May 1st, 2004 to June 30th, 2005 under the conditions and within the scope of title of the Head of the Diplomatic Mission for refund of the tax in accordance with section 61.

(2) Members of the administrative and technical personnel of the Delegation of the European Commission in the Slovak Republic, who are not citizens of the Slovak Republic and are not permanently domiciled within the territory of the Slovak Republic, are entitled to a refund of the tax paid within prices for goods and services for their own consumption during the period from May 1st, 2004 to June 30th, 2005 under the conditions and within the scope of titles of members of the administrative and technical personnel of the diplomatic mission for refund of tax in accordance with section 61.

(3) Section 62 applies to the filing of claims for refunds of tax to persons in accordance with paragraphs 1 and 2.

#### § 85c

Temporary provisions on amendments effective from 1 January 2006

(1) If goods are acquired in the territory of the country from another Member State according to section 20 par. 1, a tax liability does not arise provided that a tax liability arose according to section 20 par. 4 of the regulation valid so far.

(2) If a document about correction of a taxable amount when acquiring a goods in the territory of the country from another Member State or on delivery of a goods or service, where the acquirer of the goods of the receiver of the service is liable for payment of tax, is issued by 31 December 2005 inclusive, and the acquirer of the goods or the receiver of the service received the document after 31 December 2005, the difference between the original taxable amount and the corrected taxable amount and the difference between the original tax and the corrected tax will be specified in the tax return for the tax period in which he received the document about correction of the taxable amount.

(3) For a goods released to the temporary importation arrangements with partial exemption from import duty by 31 December 2005 inclusive, partial exemption from tax according to the regulation valid so far will be applied.

#### § 85d

Temporary provisions on amendments effective from 1 January 2008

(1) If, based on a lease agreement under which the ownership title to the subject-matter of the lease agreement is acquired not later than upon the payment of the last instalment [§ 8(1)(c)], the goods were handed over to the lessee prior to 31 December 2007 inclusive, and the lease had been taxed as the supply of service, the provisions of the existing regulation shall apply until the expiration of the lease.

(2) A taxpayer, who is the first one to market refundable packages along with goods within the territory of the country, is entitled to deduct the tax on refundable packages he keeps in stock as at 31 December 2007 pursuant to an inventory count carried out in compliance with a separate regulation<sup>35)</sup>, or pursuant to a physical count carried out as at 31 December 2007, provided that the taxpayer's accounting period is identical with a financial year. The taxpayer may apply the tax deduction referred to in the foregoing sentence if he has an invoice confirming the supply of refundable packages in respect of which he could not apply the tax deduction under § 49(7)(d) of the existing regulation.

(3) The taxpayer may apply the procedure under § 65(10) of the Act as in force until 31 December 2007 towards a taxable person who is not a taxpayer under this Act until 31 December 2008 at the latest.

#### § 85e

Temporary provisions on amendments effective from 1 January 2009

(1) Where taxable persons reached as at 31 December 2008 the turnover pursuant to § 4(1) or (2) of the Act as in force until 31 December 2008, they shall be obliged to file with a tax office the tax registration application by or on 20 January 2009.

(2) The turnover for calendar months of the year 2008 shall be included in the turnover specified in § 4 and § 81(1) of the Act as in force from 1 January 2009. The turnover for calendar months of the year 2008 in Slovak crowns shall be converted to the euro at the conversion rate.

(3) Where the taxable amount shall be corrected pursuant to § 25 after 31 December 2008 and shall relate to taxable transaction for which the tax became due no later than on 31 December 2008 and the payment was charged in euros, the exchange rate used at the time that the tax liability arose will be applied when correcting the taxable amount and the tax.

(4) Where the taxable amount shall be corrected pursuant to § 25 after 31 December 2008 and shall relate to taxable transaction for which the tax became due no later than on 31 December 2008 and the payment was charged in a currency other than in Slovak crowns or in euros, the conversion rate will be applied when converting Slovak crowns into euros.

(5) Where the taxable amount shall be corrected pursuant to § 25 after 31 December 2008 with a resultant decrease in the tax and shall relate to taxable transaction for which the tax became due no later than on 31 December 2008 and the payment was charged in Slovak crowns, the tax shall be corrected to a maximum of the amount of the declared original tax converted at the conversion rate.

(6) The financial threshold relating to the refund of a tax pursuant to § 57(1) of the Act as in force until 31 December 2008 shall be applied to a tax refund for a period, which will lapse no later than on 31 December 2008.

(7) The financial threshold relating to the refund of a tax pursuant to § 59(3)(a) of the Act as in force until 31 December 2008 shall be applied to the refund of tax paid as part of the price of goods purchased no later than on 31 December 2008.

(8) On an invoice issued following 1 January 2009 and related to taxable transaction for which the tax became due before 1 January 2009 and the payment was charged in Slovak crowns, the details showing the taxable amount and the amount of tax shall be mentioned in euros and also in Slovak crowns.

#### § 85f

Temporary provisions to amendments effective from 1 April 2009

(1) The provisions of § 55(3), § 69(13) and § 78(9) in the wording effective as of 1 April 2009 shall not apply, if the obligation to file a tax registration application arose before 1 April 2009.

(2) The provisions of § 79(2) and (3) in the wording effective as of 1 April 2009 shall apply for the first time to the taxation period of April 2009.

## § 85g

Temporary provisions on amendments effective from 1 July 2009

(1) A taxable person who achieved a turnover of EUR 35 000 under § 4(1) or (2) in wording as in force until 30 June 2009 and became a taxpayer, may apply for tax deregistration, if as of the last day of the calendar month preceeding the calendar month, in which the application of tax deregistration was submitted, he did not achieved the turnover of EUR 49 790 for not more than 12 preceeding consecutive calendar months.

(2) After receiving the application for tax deregistration, the tax office shall immediately set the date, from which the taxpayer shall no longer be considered as a taxpayer and the validity of the tax registration certificate together with validity of the tax identification number shall expire. The taxpayer is obliged to return his tax registration certificate within 10 days from the day he is no longer considered as a taxpayer.

(3) A taxpayer, who applies for tax deregistration under paragraph 1, may not deduct the tax under § 55(1) and (2), except the deduction of tax from the goods that he supplied as a taxpayer; if the taxpayer deducts the tax under § 55(1) or (2), the tax liability shall arise under § 81(6) and (7) in the last tax period.

(4) The tax office shall not register a taxable person who achieved a turnover of EUR 35 000 under § 4(1) or (2) in wording as in force until 30 June 2009 and who did not achieve a turnover under § 4(1) or (2) in wording as in force from 1 July 2009 and who filed the application for tax registration by 30 June 2009, unless the taxable person informs the tax office in writing by 15 July 2009, that the application for registration shall be considered as an application according to § 4(4).

(5) A taxable person is not obliged to file the application for tax registration by 20 July 2009, provided that as of 30 June 2009 he achieved a turnover under § 4(1) or (2) in wording as in force until 30 June 2009 and did not achieve a turnover under § 4(1) or (2) in wording as in force from 1 July 2009.

(6) Where the taxable person was obliged to file the application for tax registration under § 4(1) or (2) in wording as in force until 30 June 2009 and he failed to meet this condition, the tax office shall not impose the penalty according to a special provision, if as of the last day of the calendar month preceeding the calendar month in which the obligation to file an application for tax registration arose, the taxable person did not achieve a turnover of EUR 49 790 for not more than 12 preceeding consecutive months.

## § 85h

Temporary provisions on amendments effective as of 1 January 2010

(1) Where a service is supplied otherwise than according to paragraph (2) by a foreign person from another Member State or by a foreign person from a third country prior to the effective date of this Act and the recipient of the service was a person liable to pay the tax and the tax was not chargeable until 31 December 2009, or was chargeable only partially to the extent of the payment received pursuant to §19(4), the tax liability arising under §19(2) shall be based on the wording effective until 31 December 2009.

(2) Where a service is supplied in parts or repeatedly and the agreed payment covers a period longer than 12 calendar months and the tax has not become chargeable until 31 December 2009 in respect of the entire taxable amount, the tax liability arising under §19(3) (b) shall be based on the wording effective as of 1 January 2010.

(3) The provisions of §55a to §55g shall apply to the refund applications submitted after 31 December 2009.

(4) The refund applications of foreign persons from third countries for the period until 31 December 2009 shall be governed by the provisions §56 to §58 in the wording effective until 31 December 2009.

## § 85i

Temporary provisions on amendments effective as of 1 January 2010

(1) Deduction of the tax paid in respect of purchase or lease of the passenger car registered in the M1 category shall be governed by the provisions § 49(7)(a) and § 49(8) or (9) in the wording effective until 31 December 2009, if the purchase agreement or lease agreement of the passenger car registered in the M1 category was concluded until 31 December 2009 and the passenger car was handed over to the buyer or lessee not later than 31 December 2009.

(2) Supply of the passenger car registered in the M1 category shall be exempt from the tax, if the deduction of the tax paid in respect of its acquisition was excluded pursuant to § 49(7)(a) in the wording effective until 31 December 2009.

## §85j

Transitional provisions on amendments effective as of 1 January 2011

(1) During the time period from 1 January 2011 until the last day of the calendar year in which the European Commission (Eurostat) publishes data<sup>36</sup> stating that the Slovak Republic's current Government Deficit is less than 3%, the standard tax rate on goods and services represents 20% of the tax base. The Ministry of Finance of the Slovak Republic shall notify the lapse of the period of application of the 20% standard tax rate pursuant to the first sentence by means of a generally binding regulation.

(2) If a taxpayer acquired or generated capital goods referred to in §54(2)(b) and (c) by 31 December 2010, then §9(2) of the regulation in effect until 31 December 2010 shall apply.



(3) If the taxpayer was obliged to carry out one or several tax deduction adjustments in respect of capital goods referred to in §54(2)(b) and (c) in the course of 2004 through 2010, the tax deduction adjustment period for these goods represents ten years, pursuant to §54(4) of the regulation in effect until 31 December 2010, while the taxpayer shall carry out every change of the purpose of use in line with the procedure stipulated in Annex 1 of the regulation in effect until 31 December 2010.

(4) A refund application pursuant to §55a(1) and §55f(1) in respect of the year 2009 may be filed by 31 March 2011 at the latest.

(5) The time limit pursuant to §79(4) of the regulation in effect from 1 January 2011, concerning the expiry of the entitlement to an excessive deduction refund, does not apply to excessive deductions claimed in tax periods ending on 31 December 2010 at the latest.

85k

Transitional provisions on amendments effective as of 1 January 2012

If the excess deduction is claimed for taxation periods, that end not later than 31 December 2011 and is returned on the basis of untrue data within a time limit under Art. 79(2), tax office shall levy a fine under a special act effective until 31 December 2011.

§85ka

Transitional provision on amendments effective from 1 October 2012

The taxpayer whose tax period was a calendar quarter year on 30 September 2012 may continue with this tax period, however not longer than until the end of the calendar quarter year in which he will cease to meet the conditions pursuant to §77(2).

§85l

Transitional provision on amendments effective from 1 January 2014

The tax put in respect of importation of goods by the customs office until 31 December 2013 is to be paid by a taxpayer to the customs office and the regulation in effect until 31 December 2014 shall apply to the deduction and adjustment of tax.

§ 86

This Act is to transpose legally binding acts of the European Union listed in Annex 6.

§ 87

The following shall be hereby repealed:

1. Act of the National Council of the Slovak Republic No. 289/1995 Coll. on Value Added Tax, as amended by Act of the National Council of the Slovak Republic No. 200/1996 Coll., Act of the National Council of the Slovak Republic No. 386/1996 Coll., Act No. 371/1997 Coll., Act No. 60/1999 Coll., Act No. 153/1999 Coll., Act No. 342/1999 Coll., Act No. 246/2000 Coll., Act No. 524/2001 Coll., Act No. 555/2001 Coll., Act No. 511/2002 Coll., Act No. 637/2002 Coll., Act No. 144/2003 Coll. and Act No. 255/2003 Coll.,

2. Decree of the Ministry of Finance of the Slovak Republic No. 93/1996 Coll. on the scope and method for refunding the value added tax to persons from other countries, who enjoy the privileges under international treaties, as amended by Decree No. 174/1998Z. z., Decree No. 281/2000 Coll. and Decree No. 424/2001 Coll.,

3. Decree of the Ministry of Finance of the Slovak Republic No. 94/1996 Coll. on the scope and method for refunding the value added tax, which arises from international treaties in respect of foreign aid projects.

§ 88

This Act became effective on the day when the Treaty of accession of the Slovak Republic to the European Union came into force (May 1<sup>st</sup>, 2004).

Act No. 350/2004 Coll. amending Act No. 455/1991 Coll. on Sole Trading (the Trading Act) as amended and on amendments to certain acts became effective on the fifteenth day after its publication in the Collection of Laws of the Slovak Republic (July 1<sup>st</sup>, 2004).

Act No. 651/2004 Coll. amending Act No. 222/2004 Coll. on Value Added Tax as amended by Act No. 350/2004 Coll. became effective on 1 January 2005.

Act No. 340/2005 Coll. on Brokerage of Insurance and Brokerage of Re-insurance and on amendments to certain acts became effective on 1 September 2005.

Act No. 523/2005 Coll. amending Act No. 222/2004 Coll. on Value Added Tax as amended became effective on 1 January 2006.

Act No. 656/2006 Coll. amending Act No. 222/2004 Coll. on Value Added Tax as amended became effective on 1 January 2007.

Act No. 215/2007 Coll. amending Act of the Slovak National Council No. 511/1992 Coll. on Tax and Fees Management and on Changes to the System of Local Financial Authorities as amended and on amendments to certain acts became effective on 1 September 2007, except for Article I (11) § 14c and Article IV, that became effective on 1 October 2007.

Act No. 593/2007 Coll. amending Act No. 222/2004 Coll. on Value Added Tax as amended became effective on 1 January 2008.

Act No. 378/2008 Coll. amending Act No. 106/2004 Coll. on the Excise Duty on Tobacco Products as amended and on amendments to certain acts became effective on 1 December 2008, except for Article I (2), (3), (4), (7) and (8) that became effective on 1 February 2009.

#### FOOTNOTES:

- <sup>1)</sup> For example, Act No. 36/1967 Coll. on Court Experts and Interpreters, as amended by Act No. 238/2000 Coll., Act of the National Council of the Slovak Republic No. 233/1995 Coll. on Court Executors and Executions (the Rules of Execution) and on the Amendment of Other Laws, as amended, Act of the Slovak National Council No. 323/1992 Coll. on Notaries Public and Notarial Activities (the Notarial Procedures), as amended, Act No. 237/1991 Coll. on Patent Agents, as amended by Act of the National Council of the Slovak Republic No. 90/1993 Coll., Act of the Slovak National Council No. 10/1992 Coll. on Private Veterinaries and on the Chamber of Veterinaries of the Slovak Republic, as amended by Act No. 337/1998 Coll.
- <sup>2)</sup> Act of the National Council of the Slovak Republic No. 82/1994 Coll. on State Material Reserves, as amended.
- <sup>3)</sup> For example, § 829 of the Civil Code.
- <sup>4)</sup> §§ 476 to 488 of the Commercial Code.
- <sup>4a)</sup> §66a of Commercial Code
- <sup>4<sup>b</sup>)</sup> §2 of Act No. 483/2001 Coll. on banks and on amendments to certain acts as amended.
- <sup>4<sup>c</sup>)</sup> §88 through 153 of Act No. 563/2009 Coll. as amended by Act No. 331/2011 Coll.
- <sup>4<sup>d</sup>)</sup> §79(1) of Act No. 563/2009 Coll. as amended.
- <sup>5)</sup> Act No. 98/2004 Coll. on the Excise Duty on Mineral Oil as amended.
- Act No. 104/2004 Coll. on the Excise Duty on Wine as amended.
- Act No. 105/2004 Coll. on the Excise Duty on Spirit amending and supplementing Act No. 467/2002 Coll. on the Production of Spirit and Its Placement on the Market as amended by Act No. 211/2003 Coll. as amended.
- Act No. 106/2004 Coll. on the Excise Duty on Tobacco Products as amended.
- Act No. 107/2004 Coll. on the Excise Duty on Beer as amended.
- Act No. 609/2007 Coll. on the Excise Duty on Electricity, Coal, and Natural Gas, amending and supplementing Act No. 98/2004 Coll. on the Excise Duty on Mineral Oil as amended, as amended.
- <sup>5a)</sup> § 28 (2) of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended by Act No. 659/2007 Coll.
- Article 12 (12.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank (Official Journal C 321E, 29.12.2006).
- <sup>5aa)</sup> § 4 and 5 of Act No. 406/2011 Coll. on Volunteering as amended.
- Article 111 (1) to (3) of the Treaty establishing the European Union, as amended (Official Journal C 321E, 29.12.2006).
- <sup>6)</sup> For example, Act No. 107/2004 Coll. on Excise Duty on Beer.
- <sup>6a)</sup> Act No. 610/2003 Coll. on electronic communication.
- <sup>6aa)</sup> § 7(1) and (2) of Act No. 529/2002 Coll. on Packages and amendments to certain acts.
- <sup>6ab)</sup> Decree of the Ministry of the Environment of the Slovak Republic No. 732/2002 Coll. on the list of non-reusable returnable packages and on the amount of the deposit charged on such packages, and on the amount of deposit for reusable returnable packages.
- <sup>6b)</sup> Article 12 of Council Regulation (EEC) No. 2913/92 of 12 October 1992 establishing Community Customs Code (Official Journal L 302, 19.10.1992).
- §§ 16 to 18 of Act No. 199/2004 Coll. Customs Law and on the Amendment of Certain Acts as amended.
- <sup>6ac)</sup> §116 of the Civil Code.
- <sup>7)</sup> § 3 of Act No. 507/2001 Coll. on Postal Services.
- <sup>8)</sup> Act No. 576/2004 Coll. on Healthcare and Services Relating to the Healthcare Provision, which also amends and supplements certain other acts, as amended.
- <sup>9)</sup> Cancelled.
- <sup>10)</sup> Cancelled.
- <sup>11)</sup> For example, Act No. 195/1998 Coll. on Social Assistance, as amended.
- <sup>12)</sup> Act of the National Council of the Slovak Republic No. 279/1993 Coll. on School Establishments, as amended. Act No. 29/1984 Coll. on the System of Primary and Secondary Schools (the Schooling Act), as amended. Act No. 131/2002 Coll. on Institutions of Higher Learning and on the Amendment of Certain Laws, as amended.
- <sup>13)</sup> Act of the National Council of the Slovak Republic No. 5/2004 Coll. on Employment Services.
- <sup>14)</sup> For example, Act No. 385/1997 Coll. on the Slovak National Theatre, Act No. 114/2000 Coll. on the Slovak Philharmonic Orchestra, Act No. 68/1997 Coll. on Matica slovenská, as amended by Act No. 183/2000 Coll.
- <sup>15)</sup> Act of the National Council of the Slovak Republic No. 303/1995 Coll. on Budgeting Rules, as amended.
- <sup>16)</sup> Cancelled
- <sup>17)</sup> Act No. 461/2003 Coll. on Social Insurance, as amended.
- <sup>18)</sup> Act of the National Council of the Slovak Republic No. 273/1994 Coll. on Health Insurance, the Funding of Health Insurance, on the Establishment of the General Health Insurance Company and on the Establishment of Departmental, Sectoral, Corporate and Civic Health Insurance Companies, as amended.
- <sup>19)</sup> § 43h of Act No. 50/1976 Coll. on Land Planning and Building Regulations (the Building Act), as amended.
- <sup>20)</sup> Act No. 594/2003 Coll. on Collective Investment and on the Amendment of Certain Laws.
- <sup>20a)</sup> Act No. 43/2004 Coll. on old-age pension savings and on amendment and supplementation of certain acts as amended by the Act No. 186/2004 Coll.
- <sup>20b)</sup> Act No. 650/2004 Coll. on supplementary pension savings and on amendment and supplementation of certain acts.
- <sup>21)</sup> Act of the Slovak National Council No. 194/1990 Coll. on Lotteries and Other Similar Games of Chance, as amended.
- <sup>21a)</sup> Article 343 of the Consolidated Version of the Treaty on the Functioning of the European Union (OJ C 83, 30.3.2010). Agreement between the Government of the Slovak Republic and the Commission of the European Communities Implementing the Protocol on the Privileges and Immunities of the European Communities in the Slovak Republic (Notification of the Ministry of the Foreign Affairs of the Slovak Republic No. 553/2004 Coll.)
- <sup>22)</sup> Council Regulation (EEC) No 918/83 of 28 March 1983 setting up a Community system of relieves from customs duty (Official Journal L 105, 23/04/1983), as amended.

- <sup>23)</sup> For example, Decree of the Minister of Foreign Affairs No. 157/1964 Coll. on the Vienna Convention on Diplomatic Relations, Decree of the Minister of Foreign Affairs No. 32/1969 Coll. on the Vienna Convention on Consular Relations.
- <sup>24)</sup> For example, Decree of the Minister of Foreign Affairs No. 21/1968 Coll. on Treaty on Privileges and Immunities of International Labour Unions.
- <sup>24a)</sup> § 115 of the Civil Code.
- <sup>24b)</sup> §19(2)( l), third indent, of Act No. 595/2003 Coll. on Income Tax, as amended by Act No. 60/2009 Coll.
- <sup>25)</sup> Footnote No. 25 has been deleted.
- <sup>26)</sup> § 22 of Act No. 595/2003 Coll. on Income Tax, as amended.
- <sup>27)</sup> § 76 of Act No. 50/1976 Coll., as amended.
- <sup>27a)</sup> Act No. 595/2003 Coll., as amended.
- <sup>27b)</sup> Council Regulation (EEC) No 3037/90 of 9 October 1990 on the statistical classification of economic activities in the European Union (Special edition OJ EU, Chapter 2/Volume 4; OJ EC L 293, 24.10.1990), as amended.
- <sup>27ba)</sup> Commission Regulation (EC) No 1174/2009 of 30 November 2009 laying down rules for the implementation of Articles 34a and 37 of Council Regulation (EC) No 1798/2003 as regards refunds of value added tax under Council Directive 2008/9/EC (OJ L 314, 1.12.2009).
- <sup>27bb)</sup> §10(3) of Act No. 563/2009 Coll. on the Tax Administration (Tax Administration Procedure Act) as amended by Act No. 331/2011 Coll.
- <sup>27bc)</sup> §32 of Act No. 563/2009 Coll.
- <sup>27c)</sup> §72 of Act No. 563/2009 Coll.
- <sup>27d)</sup> § 155(1)(f) point 2 of Act No. 563/2009 Coll.
- <sup>27e)</sup> §79(3) of Act No. 563/2009 Coll. as amended by Act No. 331/2011 Coll.
- <sup>27f)</sup> §13(6) and (9) of Act No. 563/2009 Coll.
- <sup>28)</sup> Act No. 213/1997 Coll. on Non-Profit Organisations Providing Community Services, as amended by Act No. 35/2002 Coll.
- <sup>28a)</sup> Article 496 of Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (Official Journal L 253, 11/10/1993 P. 0001 – 0766) in full wording.
- <sup>28b)</sup> Act No. 572/2004 Coll. on emission quota trading and on the amendment of certain acts, as amended.
- <sup>28c)</sup> For example, §134 of Act of the National Council of the Slovak Republic No. 233/1995 Coll. as amended by Act No. 341/2005 Coll., and §88 through 153 of Act No. 563/2009 Coll. as amended.
- <sup>28d)</sup> For example, §151j and 553c of the Civil Code.
- <sup>28e)</sup> §2(al) of Act No. 725/2004 Coll. on conditions of vehicle operation in the road traffic and on amendments to certain acts.
- <sup>29)</sup> Act No. 215/2002 Coll., about electronic signature and about the amendment and supplement of some laws, as amended by Act No. 679/2004 Coll.
- <sup>29a)</sup> Act No. 289/2008 Coll. on the use of electronic cash registers and on amendments to Act of the Slovak National Council No. 511/1992 Coll. on administration of taxes and fees and on changes in the system of regional financial authorities as amended, as amended.
- <sup>29aa)</sup> §5 of Act No. 563/2009 Coll.
- <sup>29b)</sup> Act No. 461/2003 Coll., as amended.
- Act No. 580/2004 Coll. on Health Insurance amending and supplementing Act No. 95/2002 Coll. on Insurance system amending and supplementing certain Acts, as amended
- <sup>30)</sup> § 25 of Act No. 595/2003 Coll., as amended.
- <sup>31)</sup> Act No. 431/2002 Coll. on Accountancy, as amended by Act No. 562/2003 Coll.
- <sup>32)</sup> § 13(1) of Act No. 455/1991 Coll. on Sole Trading (the Trading Act), as amended by Act No. 279/2001 Coll.
- <sup>33)</sup> Act No. 563/2009 Coll. as amended by Act No. 331/2011 Coll.
- <sup>34)</sup> Notice of the Ministry of Foreign Affairs of the Slovak Republic No. 187/1996 Coll. on Accession of the Slovak Republic to the Treaty on Common Transit Regime, as amended by Notice No. 193/2003 Coll.
- <sup>35)</sup> § 29 of Act No. 431/2002 Coll. on Accounting as amended.
- <sup>36)</sup> Article 14 of Council Regulation (EC) No 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Union (Codified version) (OJ L 145, 10.6.2009).
- <sup>37)</sup> § 35b(1)(h) of Act of the Slovak National Council No. 511/1992 Coll. on Administration of Taxes and Duties and on the Changes in the System of the Territorial Financial Bodies as amended by Act No. 83/2009 Coll.



**Annex 1**  
**to Act No. 222/2004 Z. z.**

**PROCEDURE FOR ADJUSTING THE DEDUCTIBLE TAX IN RESPECT OF CAPITAL GOODS**

In making the adjustment pursuant to § 54, a taxpayer shall proceed in accordance with the following formula

$$DD = \frac{DV \times A - B}{5 \text{ or } 20} \times R$$

where

DD is the result of adjustment of the deductible tax, which in the case of a negative sign stands for a subsequently deductible tax and in the case of a positive sign stands for a subsequently non-deductible tax,

DV is the tax attributable to the acquisition cost of capital goods or the at-cost value of capital goods,

A is equal to from 0 to 1, which is a ratio expressing the amount of tax which the taxpayer had the right to deduct last time in respect of capital goods, to the amount of the tax applicable to the acquisition price of capital goods or to actual costs of capital goods; the calculated ratio shall be rounded up to two decimal places

B is a number from 0 to 1, which is a ratio expressing the amount of tax which the taxpayer is entitled to deduct in respect of capital goods, to the amount of the tax applicable to the acquisition price of capital goods or to actual costs of capital goods in the calendar year in which the reasons arise for the adjustment of deducted tax under §54 or §54a, or under §54 and §54a simultaneously; the calculated ratio shall be rounded up to two decimal places.

R is the number of calendar years remaining to lapse till the end of a period for the adjustment of the tax deduction, including the year of changing the purpose for which the capital goods are used.



Reserved for official use

**CERTIFICATE OF STATUS OF TAXABLE PERSON**

The undersigned .....  
.....  
(Name and address of a tax or another competent authority)

certifies that .....  
.....  
(Surname and first name or business name)

.....  
.....  
(Line of business)

.....  
.....  
(Address of the seat)

is a taxable person for the purposes of value added tax, his identification number being, . . . .  
.....  
.....

.....  
(Date)

Official stamp 

.....  
(Signature, name and capacity)

1) If the taxable person does not have a VAT identification number, the competent authority shall state the reason for this.



**Annex 4  
to Act No. 222/2004 Z. z.**

**APPLICATION  
for the VAT refund to a foreign official  
pursuant § 61 and 62 of Act No. 222/2004 Z. z.**

Foreign official		
State	Capacity	
Address of seat (domicile)	Tax refund for a period of	
	Quarter	Year
Bank account/Bank identification code		
Telephone number	Fax number	

Amount of VAT refund claimed	
------------------------------	--

I hereby declare that the data stated in this application is true.

Place and date:.....

Signature of the foreign official

Signature of the head of mission  
(Official stamp)

**List of documents attesting to the purchase of goods and services**

Sequential No.	Purchase date	Type of goods and services purchased	Prices of goods and services purchased less the tax	Tax amount claimed
Total amount of VAT refund claimed (carryover)				

**WORKS OF ART AND COLLECTORS' ITEMS**

Works of art are

- a) pictures, collages and similar decorative plaques, paintings and drawings, executed entirely by hand by the artist, other than plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, hand-decorated manufactured articles, theatrical scenery, studio back cloths or the like of painted canvas [the harmonised system numeric code (hereinafter the „CN code“) 9701],
- b) original engravings, prints and lithographs, being impressions produced in limited numbers directly in black and white or in colour of one or of several plates executed entirely by hand by the artist, irrespective of the process or of the material employed by him, but not including any mechanical or photomechanical process (CN code 9702 00 00),
- c) original sculptures and statuary, in any material, provided that they are executed entirely by the artist; sculpture casts the production of which is limited to eight copies and supervised by the artist or his successors in title (CN code 9703 00 00),
- d) tapestries (CN code 5805 00 00) and wall textiles (CN code 6304 00 00) made by hand from original designs provided by artists, provided that that there are not more than eight copies of each,
- e) individual pieces of ceramics executed entirely by the artist and signed by him,
- f) enamels on copper, executed entirely by hand, limited to eight numbered copies bearing the signature of the artist or the studio, excluding articles of jewellery and goldsmiths' and silversmiths' wares,
- g) photographs taken by the artist, printed by him or under his supervision, signed and numbered and limited to 30 copies, all sizes and mounts included.

Collectors' items are

- a) postage and revenues stamps, postmarks, first-day covers, pre-stamped stationery and the like, franked, or if unfranked not being of legal tender and not being intended for use as legal tender (CN code 9704 00 00),
- b) collections and collectors pieces' of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest (CN code 9705 00 00).

**LIST OF TRANSPOSED LEGALLY BINDING ACTS OF THE EUROPEAN UNION**

1. Sixth Council Directive 77/388/EEC of 17 May 1977 on the harmonization of the laws of the Member States relating to turnover taxes – Common system of value added tax: uniform basis of assessment (OJ L 145, 13. 06. 1977, p. I) having regard to Directive 80/368/EEC of 26 March 1980 (OJ L 090, 03. 04. 1980, p. 41), Directive 84/386/EEC of 31 July 1984 (OJ L 208, 03. 08. 1984, p. 58), Directive 89/465/EEC of 18 July 1989 (OJ L 226, 03. 08. 1989, p. 21), Directive 91/680/EEC of 16 December 1991 (OJ L 376, 31. 12. 1989, p. 1), Directive 92/77/EEC of 19 October 1992 (OJ L 316, 31. 10. 1992, p. 1), Directive 92/111/EEC of 14 December 1992 (OJ L 384, 31. 12. 1992, p. 47), Directive 94/5/EC of 14 February 1994 (OJ L 060, 03. 03. 1994, p. 16), Directive 94/4/EC of 14 February 1994 (OJ L 060, 03. 03. 1994, p. 14), Directive 94/76/EC of 22 December 1994 (OJ L 365, 31. 12. 1994, p. 53), Directive 95/7/EC of 10 April 1995 (OJ L 102, 05. 05. 1995, p. 18), Directive 96/42/EC of 25 June 1996 (OJ L 170, 09. 07. 1996, p. 34), Directive 96/95/EC of 20 December 1996 (OJ L 328, 28. 12. 1996, p. 89), Directive 98/80/EC of 12 October 1998 (OJ L 281, 17. 10. 1998, p. 31), Directive 99/49/EC of 25 May 1999 (OJ L 139, 02. 06. 1999, p. 27), Directive 99/59/EC of 17 June 1999 (OJ L 162, 26. 06. 1999, p. 63), Directive 99/85/EC of 22 October 1999 (OJ L 277, 28. 10. 1999, p. 34), Directive 00/17/EC of 30 March 2000 (OJ L 84, 05. 04. 2000, p. 24), Directive 00/65/EC of 17 October 2000 (OJ L 269, 21. 10. 2000, p. 44), Directive 01/4/EC of 19 January 2001 (OJ L 22, 24. 01. 2001, p. 17), Directive 01/115/EC of 20 December 2001 (OJ L 15, 17. 1. 2002, p. 24), Directive 02/38/EC of 07 May 2002 (OJ L 128, 15. 05. 2002, p. 41), Directive 02/93/EC of 03 December 2002 (OJ L 331, 07. 12. 2002, p. 27), Directive 03/92/EC of 07 October 2003 (OJ L 260, 11.10.2003), Directive 04/7/EC of 20 January 2004 (OJ L 027, 30.01.2004), Directive 04/15/EC of 10 February 2004 (OJ L 052, 21.02.2004), Directive 04/66/EC of 26 April 2004 (OJ L 168, 01.05.2004).
2. Council Directive 2007/74/EC of 20 December 2007 on the exemption from value added tax and excise duty of goods imported by persons travelling from third countries (OJ L 346, 29 December 2007).
3. Council Directive 78/1035/EEC of 19 December 1978 on the exemption from taxes of imports of small consignments of goods of a non-commercial character from third countries (OJ L 366, 28. 12. 1978, p. 34), as amended by Directive 85/576/EEC of 20 December 1985 (OJ L 372, 31. 12. 1985, p. 30), Directive 81/933/EEC of 17 November 1981 (OJ L 338, 25. 11. 1981, p. 24), Council Directive 2006/79/EC of 5 October 2006 on the exemption from taxes of imports of small consignments of goods of a non-commercial character from third countries (codified version) (OJ L 286, 17.10.2006).
4. Council Directive 2008/9/EC of 12 February 2008, laying down detailed rules for the refund of value added tax, provided for in Directive 2006/112/EC, to taxable persons not established in the Member State of refund but established in another Member State (OJ L 44, 20.2.2008).
5. Council Directive 83/181/EEC of 28 March 1983 determining the scope of Article 14 (1) (d) of Directive 77/388/EEC as regards exemption from value added tax on the final importation of certain goods (OJ L 105, 23. 04. 1983, p. 38), as amended and having regard to Directive 85/346/EEC of 08 July 1985 (OJ L 183, 16. 07. 1985, p. 21), Directive 88/331/EEC of 13 June 1988 (OJ L 151, 17. 06. 1988, p. 79), Directive 89/219/EEC of 07 March 1989 (OJ L 092, 05. 04. 1989, p. 13), Directive 91/680/EEC of 16 December 1991 (OJ L 376, 31. 12. 1991, p. 1).
6. Thirteenth Council Directive 86/560/EEC of 17 November 1986 on the harmonization of the laws of the Member States relating to turnover taxes – Arrangements for the refund of value added tax to taxable persons not established in Community territory (OJ L 326, 21. 11. 1986, p. 40).
7. Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006) as amended by Council Directive 2006/138/EC of 19 December 2006 (OJ L 384, 29.12.2006).
8. Council Directive 2008/8/EC of 12 February 2008 amending Directive 2006/112/EC as regards the place of supply of services (OJ L 44, 20.2.2008).
9. Council Directive 2008/117/EC of 16 December 2008 amending Directive 2006/112/EC on the common system of value added tax to combat tax evasion connected with intra-Community transactions (OJ L 14, 20.1.2009)
10. Council Directive 2009/69/EC of 25 June 2009 amending Directive 2006/112/EC on the common system of value added tax as regards tax evasion linked to imports (OJ L 175, 4.7.2009).
11. Council Directive 2009/162/EU of 22 December 2009 amending various provisions of Directive 2006/112/EC on the common system of value added tax (OJ L 10, 15.1.2010).
12. Council Directive 2010/23/EU of 16 March 2010 amending Directive 2006/112/EC on the common system of value added tax, as regards an optional and temporary application of the reverse charge mechanism in relation to supplies of certain services susceptible to fraud (OJ L 72, 20.3.2010).
13. Council Directive 2010/66/EU of 14 October 2010 amending Directive 2008/9/EC laying down detailed rules for the refund of value added tax, provided for in Directive 2006/112/EC, to taxable persons not established in the Member State of refund but established in another Member State (OJ L 275, 20.10.2010).
14. Council Directive 2010/45/EU of 13 July 2010 amending Directive 2006/112/EC on the common system of value added tax as regards the rules on invoicing (OJ L 189, 22.7.2010).

**Annex 7**  
**to Act No. 222/2004 Coll. as amended by Act No. 656/2006 Coll.**

**LIST OF GOODS WITH THE REDUCED TAX RATE**

Numerical Codes of Common Customs Tariff 1)	Description of goods
ex2844 40	– Radioactive elements and isotopes and compounds, other than those of subheading 2844 10, 2844 20 or 2844 30; alloys, dispersions (including cermets), ceramic products and mixtures containing these elements, isotopes or compounds; radioactive residues – only for health service
2925 11 00	– Saccharin and its salts
2941	– Antibiotics
30	– Pharmaceutical products
3822 00 00	– Diagnostic or laboratory reagents on a backing and prepared diagnostic or laboratory reagents, also on a backing, other than those of heading 3002 or 3006; certified reference materials
ex3922 90 00	– Other sanitary ware of plastics – only seat to bath for use for hard health-disabled citizens
9619 00	– Sanitary towels (pads) and tampons, napkins and napkin liners for babies, and similar articles, of any material – intended for incontinence only
4901	– Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets, except for printed books, brochures, leaflets and similar printed matter, whether or not in single sheets, in which advertisements exceed 50% of the total content of the product
4903 00 00	– Children's picture, drawing or colouring books
4904 00 00	– Music, printed or in manuscript, whether or not bound or illustrated
6115 10	– Graduated compression hosiery (for example, stockings for varicose veins)
ex6602 00 00	– Walking sticks, seat-sticks, whips, horse-whips and similar ware – only for blind and partly blind persons
ex8428 90 95	– Other lifting, handling, loading or unloading machinery – only bath hoist for use for hard health-disabled citizens
ex8471 49 00	– Other machines for automatic data-processing, presented in the form of systems – only machines with voice or tactile output for blinds and purblind
ex8518 40	– Electric low-frequency amplifiers (audio-frequency) – only individual amplifiers for hard-of-hearings, amplifiers for induction coils for hard-of-hearings, induction coils for hard-of-hearings, group amplifiers for teaching of hearing-disabled children
ex8531 80 95	– Other electric sound or visual signalling apparatus (other than items 8512 or 8530) – only for persons with hearing and visual disability
8713	– Carriages for physically disabled persons, also motorised or otherwise mechanically propelled
8714 20 00	– Parts, components and accessories of vehicles for physically disabled persons
9001 30 00	– Contact lenses
9001 40	– Spectacle lenses of glass
9001 50	– Spectacle lenses of other materials
9021	– Orthopaedic appliances including crutches, medical and surgical belts and trusses; splints and other appliances for treatment of fractures; artificial parts of body; hearing aids and other appliances which are worn or carried or implanted in the body, to compensate for a defect or disability.

1) Council Regulation (EEC) No. 2658/87 of 23 July 1987 on the Tariff and Statistical Nomenclature and on the Common Customs Tariff as amended by Council Regulation (EEC) No. 3528/89 of 23 November 1989, Council Regulation (EEC) No. 3845/89 of 18 December 1989, Council Regulation (EEC) No. 2913/92 of 12 October 1992, Council Regulation (EEC) No. 1969/93 of 19 July 1993, Council Regulation (EEC) No. 254/2000 of 31 January 2000.

**Annex 8**  
**to Act No. 222/2004 Coll. as amended by Act No. 593/2007 Coll.**

**LIST OF ACTIVITIES**

1. Telecommunication services
2. Supply of water, gas, electricity and heat
3. Transport of goods
4. Port and airport services
5. Transport of persons
6. Supply of new goods produced for sale
7. Activities of agricultural mediatory agencies concerning agricultural products, performed pursuant to regulations on common organisation of the market with such products
8. Organisation of fair trades and exhibitions
9. Warehousing
10. Advertising services
11. Tourism services
12. Operation of shops for employees, operation of canteens for employees and operation of similar establishments
13. Public television and public radio activities other than those exempt from tax under § 36.