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DOING BUSINESS FOR MIGRANTS IN SLOVAKIA

(A GUIDE TO THE BASIC ADMINISTRATIVE
STEPS FOR STARTING A BUSINESS)



Information for entrepreneurs



Starting Business in Slovakia for Migrants

(a guide to the basic administrative steps to commence business)

Information material for entrepreneurs

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Not subject to language revision.

The project titled Improvement of Conditions in the Labour Market and Business Activities of Third-Country Nationals is co-financed by the European Union from the European Fund for the Integration of Third-Country Nationals.

Solidarity in the management of migration flows



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Introduction

This guide has been prepared within the project of Improvement of Conditions in the Labour Market and Business Activities of Third-Country Nationals co-financed by the European Union from the European Fund for the Integration of Third-Country Nationals.

The guides have been elaborated on the basis of quantitative and qualitative researches implemented with the intention of mapping the current conditions of third-country nationals' business activities and identifying business barriers.

The guide aims to provide clear and well-arranged information on the basic administrative steps to be taken by third-country nationals to commence business in Slovakia.

The business activities of aliens in Slovakia are enabled by the following types of residence:

- ***permanent residence*** – can be granted for 5 years (in the interest of the Slovak Republic) or for an unlimited time;
- ***temporary residence for the purpose of business*** – granted for the anticipated business time, no longer than three years, however;
- ***temporary residence for the purpose of study*** – granted for the anticipated time of study, no longer than six years;
- ***temporary residence for the purpose of research and development*** – granted to third-country nationals for the time necessary for achievement of its purpose, no longer than two years;
- ***temporary residence for the purpose of family reunification*** – granted until the termination of the residence of a third-country national to which the third-country national exercises the right to family reunification, no longer than five years;
- ***temporary residence of a third-country national with the recognized status of a Slovak living abroad*** – granted to a third-country national for a period of 5 years.

Business cannot be carried out by third-country nationals to whom tolerated residence was granted in Slovakia.

If an alien staying in the territory of the Slovak Republic on the basis of a purpose other than the above-mentioned temporary residence wishes to carry out business in the territory of the Slovak Republic, he must apply for the granting of temporary residence for the purpose of business.

Temporary residence proceeding

1.1 Fulfilment of conditions for the granting of temporary residence for the purpose of business

TEMPORARY RESIDENCE FOR THE PURPOSE OF BUSINESS

What shall be proven?

<p>✓ Purpose of residence (Section 32 (2) (a), Section 32 (5) of Act No. 404/2011 on the Residence of Aliens)</p>	<ul style="list-style-type: none">- business plan (in conformity with Section 49 (3) of Act No. 5/2004 Coll. on Employment Services,- certificate of trade licence – submitted by the third-country national who carries or will carry out business in the territory of the Slovak Republic as a natural personor- document confirming the right to carry out business by a third-country national, which means:<ul style="list-style-type: none">• certificate of trade licence (trade certificate) in the case of an OECD member state national;• certificate of trade licence (trade certificate) together with the recording in the Commercial Register as a foreign person's company or an organizational unit of a foreign person's company in the case of an OECD non-member state national;• other trade certificate according to specific regulations (such as licences);• memorandum of association on foundation of a business company, signed by all of its founders, in which the third-country national is indicated as the corporate agent, whereas the notarized signatures of its founders are required in the case of a third-country national from an OECD member state;• memorandum of association on foundation of a business company, signed by all of its founders, in which the third-country national is indicated as the corporate agent together with the entry in the Commercial Register in the case of a third-country national from an OECD non-member state (unless such an applicant, company or organizational unit has already been recorded in the Commercial Register, the purpose of his/her temporary residence can only be proved by submittal of the business plan);• memorandum of association on foundation of a commercial company, signed by all of its founders, in which no agents of the business company are indicated (in this case, according to the Commercial Code, all of the members of the business company are entitled to act in the same capacity);
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	<ul style="list-style-type: none"> copy of an entry in the pertinent Commercial Register, in which the third-country national is indicated as the corporate agent or copy of an entry in the pertinent Commercial Register together with the minutes of the general meeting at which the third-country national was appointed a corporate agent.
<p>✓ Integrity <i>(Section 121 (1) of Act No. 404/2011 on the Residence of Aliens)</i></p>	<p>Statement of criminal records of the country:</p> <ul style="list-style-type: none"> of which the person is a national, or in which the third-country national has resided for the last three years for more than 90 days within six successive months. <p>Officially translated into the Slovak language, in the original or certified copy (notarized)!</p>
<p>✓ Financial security of residence <i>(Section 32 (2) (c), Section 32 (6) (a), and Section 32 (15) of Act No. 404/2011 on the Residence of Aliens)</i></p>	<p><i>To be proven:</i></p> <ul style="list-style-type: none"> in the amount of the minimum subsistence level for every month of residence, if the <u>period of residence exceeds one year</u>, the financial security of residence must be proven in the amount equal to 12 times the minimum subsistence level. <p><i>(The minimum subsistence level valid from 01/07/2014 is EUR 198.08.)</i></p> <p><i>Method of proving:</i></p> <ul style="list-style-type: none"> by confirmation of the balance of bank account managed in the name of a third-country national
<p>✓ Financial security of business activities <i>(Section 32 (7) of Act No. 4041/2011 on the Residence of Aliens)</i></p>	<p><i>Security amount:</i></p> <p>a) 20 times the minimum subsistence level – if carrying out a business as a natural person;</p> <p>b) 100 times the minimum subsistence level – if acting or going to act on behalf of a business company (limited liability, limited partnership, public or joint stock company) or a co-operative society.</p> <p><i>Method of proving:</i></p> <ul style="list-style-type: none"> by confirmation of the balance of bank account established for business purposes, which must not be identical to the account used to prove the financial security of residence
<p>✓ Provision of accommodation <i>(Section 32 (2) (e) of Act No. 404/2011 on the Residence of Aliens)</i></p>	<ul style="list-style-type: none"> the proof of provision of accommodation must demonstrate that the third-country national has an accommodation secured for the minimum period of six months of temporary residence <p><i>(if applying for a shorter period of temporary residence, he must prove provision of accommodation during the entire temporary residence)</i></p>

	<p>Such a proof can involve:</p> <ul style="list-style-type: none"> - certificate of title or a copy of the certificate of title in the Land Register, issued in the name of the third-country national; - lease contract with the owner or user of the real estate and a copy of the certificate of title or another document proving the right to use the real estate; - confirmation of an accommodation facility about provision of accommodation, or - affirmation of a natural or juristic person about provision of accommodation to an alien in the territory of the Slovak Republic and a copy of the certificate of title or a document proving the right to use real estate.
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Conditions of other purposes of temporary residence with the possibility of carrying out business activities in the territory of the Slovak Republic

1. Proving financial security of residence for other purposes of temporary residence:

- a) in the amount of the minimum subsistence level for every month of residence;**
- b) if the period of residence exceeds one year,** the financial security of residence must be proved in the amount equal to **12 times** the minimum subsistence level.

2. Method of proving the financial security of residence

TEMPORARY RESIDENCE FOR THE PURPOSE OF STUDY	<ul style="list-style-type: none"> - by confirmation of the balance on the bank account kept in the name of the third-country national, confirmation of granting a scholarship, confirmation of the authorized representative of a juristic person on securing of financial means for the period of residence or affirmation of a person that s/he shall provide financial security to the third-country national for the period of residence by confirmation of the account balance.
TEMPORARY RESIDENCE FOR THE PURPOSE OF RESEARCH AND DEVELOPMENT	<ul style="list-style-type: none"> - by confirmation of the balance on the bank account kept in the name of the third-country national or a confirmation of the authorized representative of a juristic person on financial and material security of the third-country national for the residence period, or - by a hosting agreement.
TEMPORARY RESIDENCE FOR THE PURPOSE OF FAMILY REUNIFICATION	<p>➤ affirmation of the third-country national, to whom permanent residence or temporary residence has been granted or who applies for granting of permanent or temporary residence, with which he applies for family reunification, that s/he will be provided with financial and material security for the period of his/her residence</p>

	<p>in the territory of the Slovak Republic, including some of the following documents:</p> <ul style="list-style-type: none"> - contract of employment; - employer's confirmation of the amount of the wage paid; - confirmation of the balance on the bank account kept in the name of the third-country national, to whom permanent residence or temporary residence has been granted or who applies for the granting of permanent or temporary residence, with which he applies for family reunification.
<p>In the case of temporary residence of a third-country national to whom the status of a Slovak living abroad was granted, the financial security of residence is not proven.</p>	
<p>3. Purpose of residence</p>	
TEMPORARY RESIDENCE FOR THE PURPOSE OF STUDY	<ul style="list-style-type: none"> - confirmation of the pertinent state administration body or school on admission of the third-country national to study, or confirmation of an organization which administratively operates programs approved by the government of the Slovak republic or EU programs on the basis of an agreement with the pertinent state administration body
TEMPORARY RESIDENCE FOR THE PURPOSE OF RESEARCH AND DEVELOPMENT	<ul style="list-style-type: none"> - hosting agreement in conformity with the law on the organisation of state aid for research and development (in a research institute or scientific workplace)

<p>TEMPORARY RESIDENCE FOR THE PURPOSE OF FAMILY REUNIFICATION</p>	<ul style="list-style-type: none"> - document of a register concerning an unmarried child under the age of 18, a child under the age of 18 entrusted into the care of a third-country national, dependent child, parent dependent on the care of a third-country national or a dependent person according to an international treaty, as well as a document confirming this fact. Such a document may involve a: <ul style="list-style-type: none"> - document of a register (marriage certificate, birth certificate of the child); - statutory representative's affirmation that the child is unmarried; - photocopy of documents concerning the child's parents' residence; - photocopy of the document concerning the guarantor's residence; - photocopy of the decision of a pertinent authority on the granting of custody of the child; - document proving long-term unfavourable health condition; - document proving reliance (such as a document on the third-country national's health condition, indicating that the health condition necessarily requires care by another person, including an affirmation that there is nobody in the country of origin able to provide him/her with proper family support)
<p>TEMPORARY RESIDENCE OF A THIRD-COUNTRY NATIONAL WITH THE GRANTED STATUS OF A SLOVAK LIVING ABROAD</p>	<ul style="list-style-type: none"> - certificate of a Slovak living abroad
<p>4. Provision of accommodation</p>	
<p>The document of accommodation provision must prove that the third-country national has an accommodation secured for at least six months of the temporary residence</p> <p><i>(If applying for temporary residence for a shorter period, s/he must prove accommodation provision for the entire time of the temporary residence.)</i></p> <p>The document on accommodation provision need not be submitted by a national who:</p> <ul style="list-style-type: none"> - <i>applies for the granting of temporary residence for the purpose of study, and is to study at a university;</i> - <i>applies for the granting of temporary residence for the purpose of research and development, or for the granting of temporary residence of a third-country national with the recognized status of a Slovak living abroad.</i> 	

1.2 Submitting an application for the granting of temporary residence

The application for the granting of temporary residence should be submitted personally at the:	<ul style="list-style-type: none"> - <i>embassy in the country which has issued the applicant's travel documents;</i> - <i>embassy in the country of the applicant's domicile;</i> - <i>embassy determined by the Ministry of Foreign and European Affairs of the Slovak Republic upon agreement with the embassy;</i> - <i>aliens' police if the third-country national stays in the territory of the Slovak Republic legally.</i>
Documents necessary at submittal of application for the granting of temporary residence	<ul style="list-style-type: none"> - two photographs, size 3 by 3.5 cm (showing current appearance); - valid travel document (<i>otherwise the embassy or police force shall dismiss the application</i>); - documents no older than 90 days, which prove the: <ul style="list-style-type: none"> ○ <i>purpose of residence;</i> ○ <i>integrity;</i> ○ <i>financial security of residence</i> (with the exception of the application for temporary residence of a third-country national with the recognized status of a Slovak living abroad); ○ <i>financial security of business activities</i> (in the case of an application for the granting of temporary residence for the purpose of business); ○ <i>provision of accommodation</i> (in terms of fulfilment of the conditions according to step 1 – Provision of accommodation)
The embassy which has accepted the application shall issue an acknowledgement of its acceptance to the applicant on the date of its submission.	
The national with an issued certificate of a Slovak living abroad who has applied for temporary residence is entitled to stay in the territory of the Slovak Republic until the decision on this application.	
Settlement of the administrative charge for the application submitted (documentary form)	<ul style="list-style-type: none"> - application for the granting of temporary residence for the purpose of business EUR 232.00 - application for the granting of temporary residence for the purpose of business, submitted at an embassy abroad EUR 240.00
On the day of submission of the application for the granting of temporary residence, the police force shall issue an acknowledgement of its acceptance .	

CAUTION!!! *The application for the granting of temporary residence shall be submitted in its entirety with all necessary documents, otherwise the application shall not be accepted.*

The documents submitted shall not be older than **90 days**

1.3 Granting of temporary residence and issue of the residence document	
1. Time limit for examination of the application	
90 days	from the acceptance of a completed application if the application has been submitted for the granting of temporary residence for the purpose of business.
30 days	from the acceptance of a complete application in the case of: <ul style="list-style-type: none"> - <i>study;</i> - <i>research and development;</i> - <i>temporary residence of a third-country national with the recognized status of a Slovak living abroad.</i>
2. Granting of residence	
If the application for the granting of temporary residence is accorded, the police force does not issue a written decision and sends to the third-country national a written notification that s/he has been granted the temporary residence.	
The notification includes the date of the residence's granting and date of <u>expiration of the temporary residence</u> .	
3. Issue of the residence document	
If the temporary residence has been granted <ul style="list-style-type: none"> - settlement of the administrative charge of EUR 4.50 for the issue of the residence document 	
The temporary residence for the purpose of business shall be granted by the police force for the anticipated time of business activities, no longer than three years, however. Upon expiration of the period for which the temporary residence has been granted, it is necessary to apply for a renewal of the temporary residence. The application for renewal of the temporary residence shall be submitted by the third-country national in person at the police station no later than on the last day of validity of the temporary residence granted.	
4. After receiving the residence document, the third-country national is obliged to:	
within 30 days	<ul style="list-style-type: none"> - submit to the police force a document confirming health insurance. (This does not apply to temporary residence for the purpose of study and temporary residence of a third-country national with the recognized status of a Slovak living abroad.)
within 30 days	<ul style="list-style-type: none"> - submit to the police force a medical opinion confirming that s/he does not suffer from an illness which endangers public health, not older than 30 days. (This does not apply to temporary residence of a third-country national with the recognized status of a Slovak living abroad.)
In the case of TEMPORARY RESIDENCE FOR THE PURPOSE OF BUSINESS	

within 60 days	<ul style="list-style-type: none"> - submit a copy of an entry in the Commercial register of a natural person <ul style="list-style-type: none"> - entrepreneur, business company or co-operative society which s/he indicated in the application. <p>(This does not apply if the entry in the Commercial Register is not required by a specific regulation.)</p> <p>Upon request of the third-country national, this period can be extended by another 60 days.</p>
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Renewal of temporary residence for the purpose of business

1.4 Fulfilment of conditions for temporary residence renewal	
TEMPORARY RESIDENCE FOR THE PURPOSE OF BUSINESS	
In addition to fulfilling the conditions required in the first application case, entrepreneurs must fulfil other conditions	
➤ Financial security of business activities	<p>In the case of an application for renewal of the temporary residence for the purpose of business, it is necessary to prove financial security of the residence:</p> <ul style="list-style-type: none"> - taxed income from these business activities in the amount equal to 20 times the minimum subsistence level if the entrepreneur carries out business in the territory of the Slovak Republic as a natural person. <p><i>(If not having been carrying out business for the entire previous period of taxation, s/he is obliged to prove taxed income in the amount equal to the double minimum subsistence level for every month of residence in the previous taxation period. This fact shall be proved by a confirmation issued by the tax office on the amount of the taxed income of a natural person or the tax return of the natural person.</i></p> <p><i>If not yet entitled to carry out business in the previous taxation period, s/he is obliged, together with the application for renewal of the temporary residence, to prove financial security of the business activities in the amount equal to ten times the minimum subsistence level. This fact shall be proved by a confirmation of the balance in the bank account established for business purposes, which must not be identical to the account used to prove financial security of residence).</i></p> <ul style="list-style-type: none"> - profit after tax of a business company or co-operative society for the previous taxation period in the amount equal to 60 times the minimum subsistence level if the entrepreneur acts or will act on behalf of the business company or co-operative society. <p><i>(If not having been carrying out business for the entire previous period of taxation, s/he is obliged to prove an after-tax profit in the amount of 5 times the minimum subsistence level for every month of residence in the previous taxation period. The entrepreneur shall prove this fact:</i></p>

	<ul style="list-style-type: none"> - if s/he is a co-owner of a business company (such as a partner), by confirmation issued by the tax office on the amount of revenues, costs, tax base and tax of a juristic person, or tax return of a juristic person; - if s/he is an authorized representative of a business company (such as agent), by confirmation issued by the tax office on the amount of after-tax profit of a juristic person or tax return of a juristic person. <p><i>If acting on behalf of more business companies or co-operative societies, the condition of the amount of after-tax profit amount must be fulfilled by at least one of the business companies or co-operatives on behalf of which s/he acts.</i></p> <p><i>If in the previous taxation period s/he was not yet entitled to act on behalf of the business company or co-operative society, s/he is obliged to prove financial security of business activities in the amount equal to 30 times the minimum subsistence level in addition to the application for renewal of the temporary residence according to Section 22 (1) (b) of the Act on Residence of Aliens. This fact shall be proven by confirmation of the balance on the bank account established for business purposes, which must not be identical to the account used to prove financial security of residence.</i></p>
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1.5 Submitting an application for renewal of temporary residence

The application shall be submitted in person	<ul style="list-style-type: none"> - on the official form at the police station, no later than on the last day of validity of the temporary residence.
Together with the application, it is necessary to submit	<ul style="list-style-type: none"> - one current photograph, size 3 by 3.5 cm (showing current appearance); - valid travel document (<i>otherwise the police force shall dismiss the application</i>); - documents not older than 90 days, confirming the: <ul style="list-style-type: none"> ○ purpose of residence (by a document proving the right to carry out a business); ○ financial security of residence (with the exception of the application for renewal of temporary residence for the purpose of business in the case of natural persons - entrepreneurs); ○ confirmation of settlement of tax and custom obligations, health and social insurance premiums and contributions to retirement pension savings from this business and all business companies and co-operative societies on behalf of which s/he acts. <p><i>(If s/he is not a taxpayer or is not obliged to pay social insurance premiums, s/he shall attach a document proving this fact);</i></p> ○ prove taxed income from business; ○ health insurance during the stay in the territory of the Slovak Republic; ○ security of residence (in the sense of fulfilment of conditions according to step 1 – Provision of accommodation).

<p>✓ assessment of economic benefits</p>	<p><i>If the entrepreneur-migrant carrying out business on the basis of temporary residence for the purpose of business did not achieve the after-tax profit in the required amount in the previous taxation period, the police force shall request the opinion of the Ministry of Economy of the Slovak Republic (ME SR) whether the business activity presents a benefit for the economic interests of the Slovak Republic.</i></p> <p><i>The police force can renew the temporary residence for the purpose of business even if the business company or co-operative society on behalf of which the entrepreneur acts did not achieve the after-tax profit in the previous taxation period, but in the opinion of the ME SR the business activities of the business company or co-operative present a benefit for the economic interests of the Slovak Republic.</i></p>
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Basic steps to start a business – natural persons

1.5.1 Natural persons – trade business

Trade is a systematic activity carried on separately, in one's own name, under one's own liability, for the purpose of making a profit and under the conditions stipulated in the Trade Licensing Act (Act No. 455/1995 Coll.).

The trader is liable for the obligations from his/her business activities unlimitedly, with his/her entire property (even private property).

Trade business includes almost all business activities, except for those exhaustively listed in Section 3 of the Trade Licensing Act. The law does not specify what a trade can be, but specifies what a trade cannot be. The trade, however, may include virtually any gainful activity executed outside of employment.

For such an activity, a licence must be obtained. One trader can also carry out several activities; however, s/he must possess a trade licence for each of them.

Types of trades and conditions of their performance

➤ unqualified trades

Performance of these trades necessitates fulfilment of general conditions. Proof of professional or other competence is not required. The list of recommended unqualified trades including a detailed specification of their contents is published on the

➤ professional trades

For performance of these trades, requirements for professional qualification must be fulfilled (in most cases, by a certificate showing achieved specific education or training in the given area). The list of professional trades is indicated in Appendix No. 2 of the Trades Licensing Act.

➤ vocational trades:

Professional competence is proven by a vocational certificate or another document on proper completion of the pertinent apprenticeship or field of study. The list of vocational trades is indicated in Appendix No. 1 of the Trades Licensing Act.

In the case of insufficient language proficiency, it is **recommended to engage an interpreter in the Slovak language.**

1.5.2 Obtaining a trade licence

1. FULFILMENT OF CONDITIONS FOR THE GRANTING OF A TRADE LICENCE

Conditions for carrying out the trade	To carry out the trade, every applicant for the trade licence must fulfil: <ul style="list-style-type: none"> ➤ general conditions for carrying out a trade <ul style="list-style-type: none"> ○ reaching the age of 18; ○ legal capacity; ○ integrity (in connection with the subject of business).
Specific conditions	- professional or other competence to carry out the trade (this must be satisfied according to the trade type)
<p><i>- In the case of a Slovak juristic person, the general conditions must be fulfilled by a natural person or persons who are its authorized representatives.</i></p> <p><i>- In the case of a foreign person's business, the general conditions must be fulfilled by the head of the foreign person's plant; with an organisational unit of the foreign person's plant, or it must be the head of the organisational unit of the foreign person's plant.</i></p>	
A foreign person can carry out business in the Slovak Republic as:	<ul style="list-style-type: none"> • An organisational unit of a foreign person's plant (if s/he is an entrepreneur in the same line of business at the place of his/her permanent residence) • a foreign person's plant (if s/he is not an entrepreneur at the place of his/her permanent residence or if s/he intends to carry out business in the territory of the Slovak Republic in a line of business different from that at the place of his/her permanent residence)
<p>Carrying out trade through a person in authority</p>	
Person in authority	<p>If the entrepreneur does not fulfil the specific conditions at notification of the trade, or does not have a domicile in the territory of the Slovak Republic or another residence permit, s/he can appoint a person in authority who satisfies both the general and specific conditions of practising the trade.</p> <p>to carry out the trade, s/he must be employed by the entrepreneur (according to the Act on Illegal Work and Employment, this does not apply to the entrepreneur's spouse or relative in a direct line or a sibling). At the same time, s/he must have a domicile in the territory of the Slovak Republic, or other legal residence permit, which means that s/he can be a:</p> <ul style="list-style-type: none"> - person with permanent residence in the territory of the Slovak Republic, - person with temporary residence or permanent residence in the territory of the Slovak Republic on the basis of a permit in conformity with the Act on the Residence of Aliens;

	<p>- national of the Slovak Republic with temporary or permanent residence outside the territory of the Slovak Republic, with notified temporary residence in the territory of the Slovak Republic;</p> <p>- national of an EU member state with a domicile in a member state, with notified residence in the territory of the Slovak Republic as an alien.</p> <p><i>The appointment of the person in authority can be cancelled (for instance, if the entrepreneur starts to fulfil the general and specific conditions of carrying out the trade). The trade licensing office shall be notified of the termination of discharge of his/her office within 15 days.</i></p>
2. TRADE NOTIFICATION	
	<p>To obtain the trade licence, one must announce the trade to the locally relevant trade licensing (district) office according to the juristic person's place of business or the natural person's domicile.</p> <p>For a foreign person, there is the locally relevant trade licensing office according to the address of the foreign person's plant activity or address of the place of activity of an organisational unit of the foreign person's plant; (that is the place of its business).</p>
<p>Services of the single point of contact (JKM) at the trade licensing office</p>	<p>To announce the trade, a natural person can use the services of the single point of contact (JKM). It is necessary to search out the pertinent trade department of the district authority and send there all documents required for the entry.</p> <p>Within the services, in addition to the trade notification, JKM can provide for:</p> <ul style="list-style-type: none"> - <i>taxpayer's registration with the tax administrator and notification of the business place's establishment;</i> - <i>enrolment in the compulsory health insurance system (if not insured abroad);</i> - <i>entry into the Commercial Register.</i> <p>Through JKM, it is possible to notify the Trade Licensing Office of changes.</p> <p>The trade notification form is published on the central public administration portal at .</p>
<p><u>Documents required for trade notification</u></p>	<ul style="list-style-type: none"> • completed form to announce an unqualified, professional or vocational trade <p><i>A natural person with permanent residence abroad or juristic person with a registered office abroad shall also indicate their person in authority for delivery service.</i></p> <ul style="list-style-type: none"> • data required on request from the extract from the judicial record

	<p><i>A foreign person shall add an extract from the judicial record if s/he is a head of a foreign person's plant or a head of an organisational unit of a foreign person's plant. The extract must not be older than 3 months and must be submitted with a certified translation into the official (Slovak) language!</i></p> <p>Data for enrolment in the system of compulsory health insurance (if a natural person has not yet enrolled in the compulsory insurance system), or data on the insurance company in which s/he is enrolled.</p> <ul style="list-style-type: none"> • for a vocational notifiable trade or professional notifiable trade, documents proving professional competence or professional competence of the person in authority; • declaration of the person in authority on the required facts and consent of the person in charge with the appointment to the position of the person in authority <i>if appointed</i>); • authority to use the real estate indicated as the place of business, if its address is different from the domicile; <ul style="list-style-type: none"> - <i>With a foreign person, the authority to use the real estate which s/he indicated as the place of business of a foreign person's plant or place of business of an organisational unit of a foreign person's plant</i> • declaration of the fact that there are no legal obstacles to carrying out the trade; • settlement of the administrative charge.
within 3 days	from the date on which the trade notification with all documents was delivered to the Trade Licensing Office, it shall issue the certificate of the trade licence.
<u>Creation of the right to carry out the trade</u>	
<i>The trade licence of foreign persons and natural persons compulsorily entered in the Commercial Register comes into force only on the date of its entry into the Commercial Register.</i>	
<h3>1.5.3 Entry into the Commercial Register</h3> <p>To obtain the trade licence, foreign persons with permanent residence outside the EU/OECD member states must send a <u>motion to enter a record into the Commercial Register</u>.</p> <ul style="list-style-type: none"> - to be filed at the appropriate Commercial Court under the jurisdiction of which the person to be entered into the Commercial Register has a registered office (if s/he has no registered office, then according to the place of business; otherwise according to this person's domicile). In the case of a foreign person, the appropriate court is the one under the jurisdiction of which the foreign person's plant or its organisational unit is located. 	

Documents necessary for the first entry of a natural person into the Commercial Register	<ul style="list-style-type: none"> - motion to enter a record into the Commercial Register (a sample is included in Appendix No. 1 of Regulation No. 25/2004 Coll., as amended, of the Ministry of Justice of the Slovak Republic – the forms are in physical or electronic form; - document proving settlement of the court fee; - certificate proving the property right or right to use the real estate or its part, which does not exclude the use of the real estate or its part as the registered office or place of business, or a consent by the owner of the real estate or its part to the entry of the real estate or its part into the Commercial Register as the registered office or place of business; - business licence to carry out the activity which should be entered into the Commercial Register as the subject of business (2x); <p><i>If a foreign natural person is proposed as the person authorized to act on behalf of the entrepreneur, the motion for the entry of data into the Commercial Register or the motion for a change in the data entered shall be accompanied by a document on the residence permit of this person in the Slovak Republic; this does not apply to a national of an EU/OECD member state.</i></p>
Submission through the single point of contact	<p>The entry into the Commercial Register can also be executed through the single point of contact (JKM); specifically, by submitting all necessary documents. The documents required for the first entry into the Commercial Register can be submitted at JKM:</p> <ul style="list-style-type: none"> - in physical form (JKM shall convert them into electronic form and provide them with the advanced electronic signature); - in electronic form provided with the advanced electronic signature. <p>In addition, it is necessary to settle the court fees collected by JKM (in cash or electronically – through the central portal of public administration (see the appendix).</p>
within 2 working days	from submission of the motion, provided the conditions are fulfilled, the commercial court shall enter the natural person into the Commercial Register.

1.5.4 Enrolment in the health and social insurance company	
Health insurance	
The insurance is paid in the form of premium pre-payments , and is settled in the annual insurance account executed by the pertinent health insurance company .	
The self-employed person (SEP) is obliged to:	
Within 8 working days	<ul style="list-style-type: none"> - notify the pertinent health insurance company in writing of the change/appointment of the premium payer in the form Notification of the insured person / premium payer; - from the date of commencement of the obligation to pay the premium as a self-employed person, notify the insurance company in writing of the amount of the premium pre-payment; - from the date of commencement of the obligation to pay the premium as a self-employed person, - notify the pertinent health insurance company of the change of the name, registered office, domicile, identification number, or bank account number in the form Registration/Deregistration of the insured person; - after delivery of the confirmation, notify the pertinent health insurance company of the facts decisive for the premium rate change; - notify of the facts decisive for the commencement or termination of the state obligation to pay premiums for him/her; - return the insurance card and European Health Insurance Card upon a change of the health insurance company or termination of the facts establishing participation in the public health insurance.
SEP is not obliged to make the premium pre-payments if the pre-payment amount does not achieve at least 3 Euros (Section 16 (9)).	
Other obligations resulting from the health insurance are available in the manual "Basic Steps to Start a Business" at:	
Social insurance	
In the year when the SEP starts / has started to carry out business , there is no obligation to enrol in the social insurance company or pay the social insurance.	
The compulsory sickness insurance (SI) and compulsory pension insurance (PI):	
<ul style="list-style-type: none"> - commences from 1 July of the calendar year following the calendar year in which the income exceeded 12 times the assessment base, and terminates on 30 June of the calendar year following the calendar year in which this income did not reach 12 times the assessment base. 	

*For a SEP who starts to carry out business only in 2015, the obligation to pay the SI and PI premiums can commence **from 01/07/2016** (up to then, the SEP can enrol in the SI and PI voluntarily), or from 1/10/2016, if the deadline for filing the tax return has been extended for him/her.*

from 1 January 2015, the social insurance company announces the:

- commencement of compulsory SI and compulsory PI;
- assessment base for premium payments;
- amount of the sickness insurance premiums;
- amount of the old-age insurance premiums and contributions to the old-age pension savings;
- amount of the disability insurance premiums;
- amount of insurance premiums for the reserve solidarity fund;
- due date of the premiums and contributions to the old-age pension savings;
- data regarding settlement of the premiums and contributions to the old-age pension savings, determined on the basis of the data recorded in the information system of the social insurance company, **within 20 days from the commencement of the compulsory insurance.**

foreign SEP:

- to whom Slovak legal regulations apply on the basis of EU regulations or an international treaty, are obliged to announce the amount of incomes and expenditures of the SEP within eight days from the valid determination of jurisdiction under the legal regulations of the Slovak Republic; in a current year, no later than on 31 May of the calendar year for the previous calendar year;
- foreign SEP are still **obliged to announce commencement and termination of the licence to carry out the SEP activities**, within eight days from the commencement and termination of the licence, or to affirm commencement and termination of execution of gainful activities executed without a permit.

SEP to which compulsory SI and compulsory PI occurred is obliged to:

- pay the premium within 8 days from the end of a calendar month;
- within 8 days, announce the change of the name, surname, permanent residence and termination of the permanent residence or temporary residence permit.

1.5.5 Registration with the tax administrator

Income tax

A JURISTIC PERSON IS OBLIGED:

1. By the end of the following calendar month

- to obtain a permit or authorization to carry out business in the territory of the Slovak Republic, to ask the tax administrator for registration in the form **Application for registration of a juristic person**;
- after the end of the month in which permanent business premises were created in the territory of the Slovak Republic, to ask the tax administrator for registration, or to announce the creation of the permanent business premises (of a taxpayer registered already);

- to notify the tax administrator of changes of facts establishing the registration duty (particularly termination of the tax liability).

2. Within 15 days

- to notify the tax administrator of an agreement concluded with a taxpayer with a registered office or domicile abroad, pursuant to which permanent business premises or tax liabilities of employers or persons working for this tax payer in the territory of the Slovak Republic may occur to this taxpayer in the territory of the Slovak Republic.

3. If facts have occurred, resulting in termination of the registration, the taxpayer is obliged to ask for termination of the registration according to a specific regulation (tax code). If similar notification duty has arisen for the taxpayer towards another institution and this institution notifies the tax administrator of the new or changed facts, the taxpayer is not obliged to notify the tax administrator of these facts.

4. Effect the tax pre- payments for the current tax period, **quarterly or monthly** depending on the last tax liability.

5. A taxpayer created during the calendar year in a way other than by consolidation, merger or division (new taxpayer) does not pay the tax pre-payments for the tax period in which it was created.

6. If the taxpayer existed for more than three months in the previous tax period, it shall effect tax pre-payments for this tax period in the following tax period on the basis of the anticipated tax indicated in the tax return.

7. By 31 March. notify the relevant tax administrator of the interest income paid out, remitted or credited for the year preceding the calendar year to the natural person who is a taxpayer in a European Union member state, dependent territory listed in Appendix No. 4 or a third-country territory listed in Appendix No. 5 of the Income Tax Act, who is the final beneficiary of the interest income.

8. By the end of the calendar month following the term for filing the tax return, settle the balance resulting from the effected pre-payments from the beginning of the tax period if the pre-payments effected until the term for filing the tax return are lower than those resulting from the calculation based on the tax return in which the tax for the previous tax period is indicated.

9. File the tax return and pay the tax equal to **22%** (the tax rate reduction for juristic persons from 23% to 22% is valid from 1 January 2014) of the tax base reduced by the tax loss within three months after expiration of the tax period (by 31 March).

Note: pursuant to a notification made to the tax administrator by the expiration of the period for filing the tax record, this period is extended to the taxpayer – juristic person by no more than 3 months, or by 6 months if the revenues include revenues from sources abroad (from 01/01/2010)

Value added tax (VAT)	
THE VALUE ADDED TAX IS ADMINISTRATED BY THE TAX OFFICE (OR CUSTOMS OFFICE IN THE CASE OF IMPORTS)	
The VAT subject involves domestic delivery of goods and provision of services against payment, executed by a taxable person, domestic acquisition of goods against payment from another member state and import of goods into the domestic territory.	
Compulsory VAT registration	submittal of the VAT registration application by the 20th day of the calendar month following the month in which the turnover for the last 12 months has reached EUR 49,790
Voluntary VAT registration	submittal of the VAT registration application (a beginning entrepreneur is obliged to pay a VAT deposit)
Mail order sale	obligation to submit the VAT registration application may also arise for a foreign person delivering to the domestic territory by means of a mail order sale if the amount of this sale in the calendar year has reached EUR 35,000 excluding tax. The application shall be submitted at the Tax Office in Bratislava before the delivery of the goods.
Filing of tax return	Within 25 days from the end of the tax period , the payer is obliged to file the tax return and, within the same time, to pay the tax (the difference between the total tax amount and total amount of the tax deductible).
Tax maturity / tax liability	
Monthly tax liability	- applicable to all new VAT payers and VAT payers whose turnover for the previous 12 calendar month reached EUR 100,000 or more.
Quarterly tax liability	- may apply to VAT payers after expiration of more than 12 months from the end of the calendar month in which they became payers if they have not reached the turnover of EUR 100,000 for the 12 successive calendar months. <i>If the turnover exceeds EUR 100,000, the monthly tax period must be applied from the following month.</i>
Filing of check statement	The payer is obliged to file the check statement by electronic means for every tax period for which s/he is obliged to file the tax return, within 25 days after the end of the tax period .
Filing of aggregate statement	The payer is obliged to file the aggregate statement for every calendar month in which s/he <ul style="list-style-type: none"> a) delivered tax-exempt domestic goods into another member state, to a person registered as a tax payer in another member state; b) transferred goods into another member state for the purpose of his/her business; c) participated in a trilateral trade as the first customer;

	<p>d) provided a service with the delivery place in another member state according to Section 15 (1) of the Act to a taxable person or a tax-registered juristic person obliged to pay the tax,</p> <p>in an electronic form, no later than in 25 days after expiration of the period for which the aggregate statement is submitted.</p>
Value added tax rates	<p>- basic rate: 20%</p> <p>- reduced rate (pharmaceuticals and sanitary goods, books and brochures): 10%</p>
For other duties resulting from the Income Tax Act and Value Added tax Act, see the manual titled "Basic Steps to Start Business" available at	

Basic steps to starting a business – juristic persons

1.6 Juristic person

SELECTED LEGAL STANDARDS AND THEIR SPECIFICS

❖ LIMITED LIABILITY COMPANY	
Number of partners / founders / members	<p>1-50 (natural persons – NP as well as juristic persons – JP)</p> <p>(A company with 1 partner cannot be a sole founder or partner of another company. A natural person can be a sole partner in no more than 3 companies.)</p> <p>A limited liability company cannot be founded by a person with arrears of tax or customs duty.</p>
Registered capital	<ul style="list-style-type: none"> - created compulsorily; - amount: EUR 5,000*
Contributions of the member(s)	EUR 750 (with a sole founder – EUR 5,000)
Foundation of the company	<ul style="list-style-type: none"> • deed of incorporation – if a sole founder creates <ul style="list-style-type: none"> - a limited liability company (the deed of incorporation must be signed and the signature authenticated); • memorandum of association signed by all of the founders/partners (limited liability company) with authenticated signatures of all founders/partners (the memorandum of association can also be concluded by an authorized representative – the power of attorney with authenticated signature of the principal shall be attached to the memorandum),

❖ JOINT STOCK COMPANY	
Number of partners / founders / members	at least 2 NP or 1 JP
Registered capital	<ul style="list-style-type: none"> - created compulsorily; - amount: EUR 25,000*
Contributions of the member(s)	not specified (minimum stock value)
Foundation of the company	<ul style="list-style-type: none"> • <u>deed of incorporation</u> – if a sole founder creates <ul style="list-style-type: none"> - a limited liability company (the deed of incorporation must be signed and the signature authenticated); - a joint stock company (the deed of incorporation must be executed in the form of a notarial record of a legal act); <p>The deed includes the statutes or <u>memorandum of association</u> executed in the form of a notarial record of a legal act (if a joint stock company is founded); the memorandum includes the statutes.</p>

❖ UNLIMITED LIABILITY COMPANY	
Number of partners / founders / members	at least 2 (NP and JP)
Contribution of the member	according to the memorandum of association*
Foundation of the company	<u>memorandum of association</u> signed by all of the founders/partners with authenticated signatures of all founders/partners (the memorandum of association can also be concluded by an authorized representative – the power of attorney with authenticated signature of the principal shall be attached to the memorandum)
❖ LIMITED PARTNERSHIP COMPANY	
Number of partners / founders / members	at least 2 (NP and JP)
Contribution of the member(s)	according to the memorandum of association, no less than EUR 250 (limited partner)*
Foundation of the company	<u>memorandum of association</u> signed by all of the founders/partners with authenticated signatures of all founders/partners (the memorandum of association can also be concluded by an authorized representative – the power of attorney with authenticated signature of the principal shall be attached to the memorandum).
❖ CO-OPERATIVE SOCIETY	
Number of partners / founders / members	at least 5 NP or 2 JP
Registered capital	EUR 1,250

Foundation of a co-operative society	<p>To found a co-operative society, it is necessary to hold a <u>constitutive meeting of the co-operative</u>, the course of which is proven by a <u>notarial record</u>. The approved version of the <u>statutes</u> is attached to the record.</p> <p>The society is created by entry into the Commercial Register.</p>
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** Note: from 1 December 2013, the registered capital and monetary contributions of business companies must be deposited in a specific separate account established in a bank by the capital administrator.*

PROCEDURE OF FOUNDATION OF A BUSINESS COMPANY OR CO-OPERATIVE SOCIETY

1.6.1 Founding document

For foundation of a business company or co-operative society, a founding document is necessary; see the individual legal forms (foundation)

1.6.2 Obtaining the trade licence

The procedure and conditions of the issue of the trade licence are identical with the case of obtaining the trade licence – see chapter 3.1 Natural persons – trades

Creation of the right to carry out trade	1. for a juristic person already entered in the Commercial Register, or for one which does not enter in the Commercial Register <ul style="list-style-type: none">• on the day of notification or, if a later commencement day of the trade is stated in the notification, on that day 2. for other juristic persons (that is, juristic persons not entered in the Commercial Register, to which this duty applies) <ul style="list-style-type: none">• by the entry in the Commercial Register
The trade licence certificate is the	➤ trade licence certificate (<i>Section 10 (2) (a)</i>) ➤ copy of an entry in the Commercial Register (<i>Section 10 (2) (b)</i>)

THE TRADE LICENCE CERTIFICATE IS ISSUED BY THE TRADE LICENSING OFFICE, WHICH IS THE DISTRICT OFFICE (FROM 1 OCTOBER 2013). THE DISTRICT OFFICE PERFORMS THE TASKS OF THE SINGLE POINT OF CONTACT.

Trade notification

to the respective trade licensing office (*see the Trade notification – natural persons*)

Documents required for trade notification	1. memorandum of association or the deed of incorporation 2. appointment of a person in authority for a vocational or professional trade; the notification is to be supplemented with: <ul style="list-style-type: none">• certificate of competence of the person in authority (proven by a vocational certificate, school report, diploma, licence, etc.)• appointment, consent and declaration of the person in authority or <ul style="list-style-type: none">• proof of professional or another competence, issued according to a specific regulation in the name of the entrepreneur; in such a case, the juristic person adds this document to the trade notification; there is no need to appoint a person in authority 3. right to use the real property indicated as the registered office, with the exception of a JP entered in the Commercial Register (this JP proves the title to the use of the registered office within the proceedings before the Commercial Register); <i>with a foreign person, the JP shall prove the right to use the real estate which s/he indicated as the place of business of the foreign person's plant or a place of business of an organisational unit of the foreign person's plant</i>
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	<p>4. settlement of administrative charge (duty stamp, in cash)</p> <p>5. statement of the facts according to Section 5 (2), Section 8 (1), (2) and (5) of the Act.</p>
<p><i>A foreign person shall supplement the notification with the statement of criminal records of those persons who are not nationals of the Slovak Republic, to whom the condition of integrity applies, as regards to the head of a foreign person's plant or an organisational unit of a foreign person's plant. The statement of criminal records must not be older than three months; it must be submitted together with a certified translation into the official language.</i></p>	
<p><i>Note: persons compulsorily entered in the Commercial Register can also supplement the trade notification with data and submit documents for the motion for entry of the data into the Commercial Register.</i></p>	
<p>Notification of changes: The entrepreneur is obliged to notify the relevant trade licensing office of all changes and additions regarding the data and documents required for the trade notification, and submit their proofs within 15 days from the commencement of these changes.</p>	
<h3>1.6.3 Entry into the Commercial Register</h3>	
<p>For entry into the Commercial Register, it is possible to use the services of the single point of contact. It is necessary to search out the relevant district office of the trade licensing department and send there all the documents required for the entry.</p>	
<p>1. Compulsorily, all business entities founded by migrants are entered into the Commercial Register. The duty to be entered into the Commercial Register does not apply to natural persons – entrepreneurs to whom permanent residence in Slovakia has been granted.</p>	
<p>2. The entry motion must be filed within 90 days from the company's foundation or delivery of the certificate proving the trade or another business licence.</p>	
<p>3. Deposit capital before filing the motion for entry into the Commercial Register:</p>	
<p>➤ <u>limited liability company</u></p> <ul style="list-style-type: none"> every monetary contribution of at least 30% + non-monetary contributions (the value is assessed by expert opinion) = at least 50% of the minimum amount of the registered capital as provided by law = at least EUR 2,500 (the partner is obliged to pay off the contribution within 5 years from the company creation or from his/her entry in the company or assumption of an obligation of a new contribution) if the company was created by 1 founder, it can only be entered into the Commercial Register if its registered capital has been paid off to full extent = at least EUR 5,000 	
<p>➤ <u>joint stock company</u> before creation, the entire registered capital value must be subscribed and at least 30% of the monetary contributions paid off.</p>	
<p>➤ <u>co-operative society</u> at least 50% of the registered capital entered</p>	
<p><i>[Parts of the partners' contributions payable before creation of the company are administered by the founder entrusted with that in the memorandum of association (contribution administrator).]</i></p>	

DOCUMENTS NECESSARY FOR ENTRY IN THE COMMERCIAL REGISTER ACCORDING TO SELECTED LEGAL REGULATIONS

1. **limited liability company**

- motion for entry in the Commercial Register (filed by all agents as submitters and signed by them, the signatures must be authenticated; a sample is included in Appendix No. 7 of the Regulation of the Ministry of Justice of the Slovak Republic No. 25/2004 Coll., as amended); proof of payment of the court fee must be attached to it;
- memorandum of association or deed of incorporation (2x);
- document proving the right to use the real estate or its part, which does not exclude the use of the real estate or its part as the registered office or place of business, or a consent by the owner of the real estate or its part to the entry of the real estate or its part into the Commercial Register as the registered office or place of business (Section 4 (2))
- statutes, if adopted; (2x);
- if the company has been founded by a sole natural person, the written statement of the founder that s/he is not the sole partner in more than two limited liability companies.

joint stock company founded by one limited liability company:

- written statement of the founder that the limited liability company which s/he has founded has more partners;
- document proving a business licence to carry out the activity which should be entered into the Commercial Register as the subject of business (2x);
- written statement of the capital administrator about repayment of the contribution or its part by the individual partners (2x);
- if a non-monetary contribution has been deposited in the company, an expert opinion proving that the value of the non-monetary contribution corresponds to the value of the obligation assumed on the contribution to the company property (2x);
- consent of the tax administrator or written affirmation of the founder that s/he has no tax liabilities/arrears (*the possibility of submitting the written affirmation only applies to foreign persons*).

2. **joint stock company**

- motion for entry into the Commercial Register (to be submitted by the board as the submitter and signed by all members of the board; the signatures must be authenticated; a sample is included in Appendix No. 9 of the Regulation of the Ministry of Justice of the Slovak Republic No. 25/2004 Coll, as amended); a document proving settlement of the court fee shall be attached to it;
- document proving the ownership right or right to use the real estate or its part, which does not exclude the use of the real estate or its part as the registered office or place of business, or a consent by the owner of the real estate or its part to the entry of the real estate or its part into the Commercial Register as the registered office or place of business (Section 4 (2));
- memorandum of association or deed of incorporation (2x);

- statutes (2x)
- decision of the board of supervisors on the election of the board of directors;
- document proving a business licence to carry out the activity which should be entered into the Commercial Register as the subject of business (2x);
- written statement of the capital administrator about repayment of the contribution or its part by the individual partners (2x);
- expert opinion on the appropriate value of non-monetary contribution (2x);
- other documents proving facts according to specific regulations;
- if the joint stock company is founded pursuant to a call to subscribe for shares, it is further necessary to attach the call to subscribe shares in the published version with a proof of its publication, list of subscribers and notarial record of the constituent general meeting (2x).

3. **unlimited liability company**

- motion for entry into the Commercial Register (to be submitted by all partners as submitters and signed by them; the signatures must be authenticated; a sample is included in Appendix No. 3 of the Regulation of the Ministry of Justice of the Slovak Republic No. 25/2004 Coll., as amended); a document proving settlement of the court fee shall be attached to it;
- document proving the ownership right or right to use the real estate or its part, which does not exclude the use of the real estate or its part as the registered office or place of business, or a consent by the owner of the real estate or its part to the entry of the real estate or its part into the Commercial Register as the registered office or place of business (Section 4 (2));
- memorandum of association (2x);
- document proving a business licence to carry out the activity which should be entered into the Commercial Register as the subject of business (2x).

4. **limited partnership company**

- motion for entry into the Commercial Register (to be submitted by all partners as submitters and signed by them; the signatures must be authenticated; a sample is included in Appendix No. 5 of the Regulation of the Ministry of Justice of the Slovak Republic No. 25/2004 Coll., as amended); a document proving settlement of the court fee shall be attached to it;
- document proving the ownership right or right to use the real estate or its part, which does not exclude the use of the real estate or its part as the registered office or place of business, or a consent by the owner of the real estate or its part to the entry of the real estate or its part into the Commercial Register as the registered office or place of business (Section 4 (2));
- memorandum of association (2x)
- document proving a business licence to carry out the activity which should be entered into the Commercial Register as the subject of business (2x);
- written statement of the capital administrator about repayment of the contribution or its part by the individual limited partners, if the contribution or part of the contribution was repaid before the company's entry into the Commercial register (2x).

5. co-operative society

- motion for entry into the Commercial Register (to be submitted by the board as the submitter and signed by all members of the board; the signatures must be authenticated; a sample is included in Appendix No. 11 of the Regulation of the Ministry of Justice of the Slovak Republic No. 25/2004 Coll, as amended); a document proving settlement of the court fee shall be attached to it;
- document proving the ownership right or right to use the real estate or its part, which does not exclude the use of the real estate or its part as the registered office or place of business, or a consent by the owner of the real estate or its part to the entry of the real estate or its part into the Commercial Register as the registered office or place of business (Section 4 (2))
- notarial record on the constituent meeting of the co-operative society, signed by all members of the board of directors (2x);
- statutes of the co-operative society (2x);
- document proving a business licence to carry out the activity which should be entered into the Commercial Register as the subject of business (2x);
- document proving repayment of a certain part of the registered capital entered (2x).

Electronic filing of motion for entry in the Commercial Register (eSlužby)

The motion for entry of the company into the Commercial Register can also be filed and the document filed in the collection of documents by electronic means in the electronic form published on the website of the central portal of the public administration at ; this motion for the first entry shall be signed by the authenticated signature of the submitter.

It is also possible to use electronic means to apply for the issue of a copy of an entry in the Commercial Register, a copy of a document from the collection of documents or a confirmation that a certain entry is not in the Commercial Register (Section 12 (3)). In these cases, the application need not be signed by an authenticated electronic signature.

Charges collected in the matters of the Commercial Register, executed pursuant to filings by electronic means, are paid through the electronic payment portal of the public administration.

If it is proposed that a foreign natural person be entered as a person authorized to act on behalf of an entrepreneur, the motion for entry of data into the Commercial Register shall be supplemented with a proof of residence permit for this person in the Slovak Republic (this does not apply to a national of an EU or OECD member state).

1.6.4 Enrolment in the health and social insurance company

JURISTIC PERSONS (limited liability company, limited partnership company, joint stock company, unlimited liability company) **WITHOUT EMPLOYEES** – if the authorized representative is not in a labour-law relationship.

- In the case of a juristic **person without employees** (at the same time, the authorized representative is not in an employee's position), no registration duty or obligation to pay insurance premiums arises for the entity or agent (natural person) towards the social insurance company.

The registration duty and obligation to pay the insurance premiums results for the agent (natural person) if incomes are achieved in the sense of Section 3 of Act No. 461/2003 Coll., as amended.

1.6.5 Registration with the tax administrator

INCOME TAX IS ADMINISTERED BY THE TAX OFFICE

See Natural persons – trade business, 3.1.4 Registration with the tax administrator

In addition to the obligations indicated in chapter 3.1.4 Registration with the tax administrator, the juristic person is obliged to pay the tax licence.

The **tax licence** is the minimum tax, after deduction of tax abatements according to and after inclusion of the tax paid abroad, to be paid by the taxpayer for every taxation period for which the tax liability calculated in the tax return is lower than the amount of the tax licence assessed for the individual taxpayer, or the taxpayer has reported a tax loss.

A taxpayer who

- a) on the last day of the taxation period is not liable for payment of the value added tax, with an annual turnover not exceeding EUR 500,000, in the amount of **EUR 480**;
- b) on the last day of the taxation period is liable for payment of the value added tax, with an annual turnover not exceeding EUR 500,000, in the amount of **EUR 960**;
- c) for the taxation period, has reached an annual turnover exceeding EUR 500,000, in the amount of **EUR 2,880**.

The tax licence is **payable for the pertinent taxation period within the period for filing a tax return**.

The tax licence is **not paid by a taxpayer**, to whom the duty to file the tax return has arisen for the first time for the taxation period **in which it was created**; with the exception of a taxpayer who is a legal successor of a taxpayer dissolved without liquidation.

1.7 Obligations for employment

1. Public health insurance

THE PUBLIC HEALTH INSURANCE IS ADMINISTERED BY HEALTH INSURANCE COMPANIES.

The premiums are paid as pre-payments for the insurance and accounted for in the annual insurance account executed by the pertinent health insurance company.

The employer is obliged to

within 8 working days	<ul style="list-style-type: none">➤ report the creation of a payer (employer) in a form specified by the office (Notification of creation, change or dissolution of a taxpayer); the notification shall contain the name, registered office, domicile, identification number, bank account number, date for payment of income from employment as well as the name, surname and birth registration number if the employer is a natural person;➤ report the change of the insurance payer for the employee in the form Notification of the employer on insured persons upon change of the insurance payer of the public health insurance. From 01/01/2011, an employer with at least
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	3 employees is obliged to submit notification to this health insurance company in electronic form
	<ul style="list-style-type: none"> ➤ settle the premium pre-payments in the amount of 10% of each employee's income achieved in the pertinent month; if disabled persons are employed, in the amount of 5% of each such an employee's income; if an employee is employed according to Section 11 (7) (v) (employee who had been registered as a job-seeker with the employment services for at least 12 successive months before creation of the employment); ➤ deduct from the employee's wage and pay the premium pre-payments in the amount of 4% of the employee's income achieved in the pertinent calendar month; with regard to a disabled person, in the amount of 2% of the income. <p><i>The premium pre-payment of the employer and employee is payable on the payday of employees' incomes for the pertinent calendar month; it is remitted by the employer to the account of the pertinent health insurance company.</i></p>
	<p>The health insurance company shall confirm the application within 7 days from its receipt (the application should be dismissed in writing - immediately).</p> <p>The health insurance company is further obliged to:</p> <ul style="list-style-type: none"> - issue the insurance card and safety code for the insurance card to the insured person within 30 days from the application confirmation; - execute the annual insurance account for the previous year by 30 September of the calendar year (or by 31 October if the period for filing the tax return has been extended for the insurance payer).
	Other obligations resulting from the employees' health insurance are available in the manual titled "Basic Steps to Starting a Business" at: .

2. Social insurance

THE SOCIAL INSURANCE IS ADMINISTERED BY THE SOCIAL INSURANCE COMPANY.

The employer pays premiums for the:

- *sickness insurance*
- *pension insurance (divided into old-age insurance and disability insurance)*
- *casualty insurance*
- *guarantee insurance*
- *unemployment insurance*
- *reserve solidarity fund*

The employer pays premiums for the employee for:

- *sickness insurance*,
- *pension insurance premiums; and*
- *unemployment insurance premiums.*

Insurance rates as of 01/ 01/ 2015 (in %)	Sickness insurance	Old-age insurance	Disability insurance	Casualty insurance	Guarantee insurance	Unemployment insurance	Reserve fund	Old-age pension saving
Employee (wage deduction*)	1.40%	4%	3%			1%		
Employer for an employee who is not a saver	1.40%	14%	3%	0.8%	0.25%	1%	4.75%	
Employer for an employee who is a saver	1.40%	10%	3%	0.8%	0.25%	1%	4.75%	4 %

*Note: The premium is deducted from the employee's income (assessment base) on the day appointed for payment of incomes to the account of the insurance company.

The employer is obliged

within 8 days from the day on which he started to employ at least one employee	➤ enrol by means of the form Employer's registration document in the employers register administered by the respective social insurance company branch according to the employer's registered office.
➤ enrol by means of the form Natural person registration document into the register of insured persons and savers of the old-age pension savings:	<ul style="list-style-type: none"> - an employee according to Section 4 (1) as well as an employee in a legal relationship based on an agreement to complete a job or agreement to perform work (unless s/he draws a pension) for sickness insurance, pension insurance and unemployment insurance; - an employee employed on the basis of an agreement on the temporary work of students with an income over EUR 200 for pension insurance and unemployment insurance before these insurances occur, no later than at the beginning of performance of the employee's work;

<ul style="list-style-type: none"> - an employee in a legal relationship based on an agreement on the temporary work of students for the purpose of casualty insurance, and guarantee insurance before creation of this legal relationship, no later than at the beginning of the work performance.
<p>An employer employing at least 1 employee is obliged to send the following documents electronically:</p> <ul style="list-style-type: none"> • <i>Monthly statement</i> • <i>Premiums and contributions statement</i> • <i>Natural person registration document</i> <p>The employer is obliged to report employees to the social insurance company:</p> <ul style="list-style-type: none"> - directly (on the prescribed form) - by electronic mail (through the website https://esluzby.socpoist.sk/, e-mail: hlasenie@socpoist.sk) - by fax (on the prescribed form) - by e-mail (on the prescribed form) - by SMS: (name and surname of the employee, his/her birth registration number, I.D. No. or Tax I.D. No., type of labour-law relationship) <p>Other obligations resulting from the employees' social insurance are available in the manual titled "Basic Steps to Starting a Business" at:</p>

3. Employer's obligations regarding the employee's income tax

- by the end of the calendar month following the month in which the obligation arose to deduct tax or tax pre-payments or to collect tax, **apply for registration as a taxpayer with the tax administrator**, or to notify the tax administrator of the fact that s/he has become a taxpayer;
- **deduct tax from employment earnings within 5 days from the payday**, remittance or crediting taxable wage to the employee, make the tax pre-payment reduced by the total of tax credit to the account of the tax office;
- **by the end of the calendar month, submit an overview of employment earnings** paid to the individual employees by the employer who is a taxpayer, of deducted and transferred pre-payments, on employee bonuses and tax credit for the previous calendar month.

4. Old-age pension savings

AGREEMENTS ON OLD-AGE PENSION SAVINGS ARE CONCLUDED BY PENSION MANAGEMENT COMPANIES.

The **premiums are paid** by the employer for those employees who are savers.

1. The employer is obliged

- on the payment day of social insurance premiums, pay and remit for the employees who are savers the compulsory contribution to the account of the social insurance company.

The minimum assessment base is the minimum wage valid in the given period.

2. From 1 September 2012 to 31 December 2016, the rate of the employer's compulsory contributions equals **4% of the assessment base**.

Appendix:

ADMINISTRATIVE AND COURT CHARGES	Physical filing (in EUR)	Electronic filing (in EUR)
entry in the Commercial Register	165.50	82.50
issue of the trade licence certificate for an unqualified trade	5.00	0
issue of the trade licence certificate for a vocational or professional trade	15.00	7.50
copy of an entry in the Register of Trades	3.00	0
implementation of changes in the trade licence certificate	3.00	0
issue of the licence to execute the function of an authorized representative for more than one place of business		6.00
issue of the certificate of completion of a qualification test before a board of examiners		6.00
issue of a document on the nature and length of work		6.00
issue of a decision on recognition of practical experience		20.00
issue of a decision on recognition of professional qualification of an EU national		100.00
conversion of paper documents into electronic form	EUR 5.00 for every 15 pages started	
issue of a document that the provision of services on the basis of the trade licence is limited	3.00	0
I.D. No. allocation		3.00
issue of a certificate on the entry of a private farmer in the register		6.50
statement of criminal records (the charge is not paid at the trade notification)		4.00
entry into the Commercial Register	165.50	82.50
entry of an organisational unit of a natural person-entrepreneur's plant into the Commercial Register	33.00	16.50
entry of an organisational unit of a foreign natural person's plant into the Commercial Register	165.50	82.50
copy of an entry into the Commercial Register	6.50	0.33
confirmation of non-existence of an entry in the Commercial Register	3.00	0.33
making a photocopy of a document filed in the collection of documents	EUR 0.33 for every, even started, page (at least EUR 1.50)	
sending a document filed in the collection of documents in the electronic form		0.33
consent to the use of an apartment or its part for purposes other than dwelling		9.50
granting temporary residence to an alien for the purpose of business		232.00

Useful contacts

GRANTING OF TEMPORARY RESIDENCE IN THE TERRITORY OF THE SLOVAK REPUBLIC

The Aliens Police department of the Police Force

web: <http://www.minv.sk/?ocp-1>

BASIC INFORMATION ON CARRYING OUT BUSINESS IN SLOVAKIA

Slovak Business Agency

Miletičova 23
821 09 Bratislava 2
Slovak Republic
+421 2 502 44 500
agency@sbagency.sk
web: <http://www.sbagency.sk/>

TRADE NOTIFICATION, ENTRY INTO THE COMMERCIAL REGISTER, REGISTRATION WITH THE TAX ADMINISTRATOR, SOCIAL AND HEALTH INSURANCE

Single point of contact

web: <http://www.minv.sk/?zivnostenske-urady-sr>

INFORMATION CENTRE

International Organization for Migration (IOM)

Migration Information Centre of IOM
Tel.: +421 2 5263 0023
Advantage line: 0850 211 478
Email: mic@iom.int
Web: www.mic.iom.sk



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