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# NEW LEGISLATION FOR BUSINESSES

## INCREASE IN MEAL ALLOWANCE FROM OCTOBER 1, 2023

From October 1, 2023, another increase in the meal allowance for domestic travel comes into effect:

- EUR 7.80 – time zone 5 to 12 hours,
- EUR 11.60 – time zone 12 to 18 hours,
- EUR 17.40 – over 18 hours.

Based on that, the following amounts will apply:

- the employer's maximum contribution per meal voucher/financial contribution will be EUR 4.29
- the employer's minimum contribution per meal voucher/financial contribution will be EUR 3.22
- the minimum value of the meal voucher will be EUR 5.85

The financial contribution/meal vouchers can also be paid by the employer from the social fund, without limit. Meal vouchers and a financial contribution for meals have to be provided in advance.

## MINIMUM SALARY FROM JANUARY 1, 2024

The social partners recently reached an agreement on a new minimum salary that will be in effect from January 1, 2024. It has been increased year-on-year by EUR 50 to an amount of EUR 750 per month. At the same

time, the hourly minimum salary is also changing to EUR 4.31.

## CANCELLATION OF THE RIGHT TO PANDEMIC SICK LEAVE

Introduced during the pandemic, this form of sick leave was intended for situations when children had to undergo quarantine due to illness and also if the nursery/kindergarten or school introduced quarantine and the parent stayed home with them. This special form of sick leave was canceled on September 1 and will be replaced by the standard form of sick leave, which can last a maximum of 14 days per year.

## REDUCING THE TAX BURDEN ON VIRTUAL CURRENCIES

Parliament came up with an amendment to the Personal Income Tax Act, which lowers the tax rate for the sale of virtual currency after one year from acquiring it - to 7%. If the virtual currency is sold earlier, the income from such sale will be included in the tax base together with other income and will be taxed as usual. Another case is when virtual currency is exchanged for assets/services, in such case income up to EUR 2,400 will be exempted from taxation.

The Health Insurance Act is also being amended, according to which natural

persons will be exempt from health levies from the income from the sale of virtual currency, if it was not part of their business assets. The amendment will enter into force on January 1, 2024.

Please note, that transactions made in the year 2023 are subject of taxation and health insurance.

## INCREASE IN SANCTIONS AS A RESULT OF THE INCREASE IN THE ECB'S BASE INTEREST RATE

On September 20, 2023, the base interest rate of the ECB was increased to 4,5 %, which also means an increase in the penalties for additional filing of the tax return, in the case of a higher tax, as well as for additional tax collected. The new penalty rates will be as follows: 4,5; 9 and 13,5 % p.a. On the other hand, there will also be an increase in the compensation for the unjustified detained excessive deduction by the tax administrator. This will be possible in 2024 at the earliest, since the rate valid as of January 1st is applied for the whole year.

## APPLICATION OF VAT SELF-ASSESSMENT FOR IMPORTING GOODS

Currently, import VAT is determined by the Customs Office. The new process should be simplified on the basis of self-taxation, which will remove the obligation to pay import tax if the payer



This section was prepared by experts from Crowe Slovakia, their accounting, tax, audit, and payroll services can be found at: [www.crowe.com/sk](http://www.crowe.com/sk)

The following text presents a brief overview of legislative changes in the tax and payroll area which are most likely to influence your business. Experts from Crowe choose the most relevant legislation which has recently come to force or is likely to be adopted in the near future.

website of the Financial Administration.

## "SECOND CHANCE" FROM THE FINANCIAL ADMINISTRATION

The Financial Administration is going to introduce another innovation starting from next year, which should help tax discipline - the so-called "institute of second chance" in the imposition of fines. This means that instead of immediately issuing a fine in case of violation of the provisions of the tax code, the tax administrator will only send a warning, which will be in the form of Notice delivered to the taxpayer's electronic mailbox.

## GLOBAL MINIMUM LEVEL OF TAXATION

There is an act in preparation on the so-called compensatory tax, which should ensure the transposition of the European directive. The purpose is to reduce the tax to a minimum amount of 15% for entrepreneurs who are located in Slovakia and are members of a multinational group of companies or a large national group, which should lead to a fairer business environment by preventing the transfer of profits to countries with zero or very low taxation. This specific act will apply to multinational groups with annual revenues of min. 750 million euros reached in at least two out of four accounting periods.

## INTRODUCTION OF THE FS DRIVE

The Financial Administration introduced a new system called FS Drive that should ensure a secure form of data transfer. It enables the exchange of larger files with the Tax Authority. Taxpayers have to notify the Tax Authority about the submission of large files to the FS Drive. It should replace the usage of USB keys, external drives and other applications that are not always safe. However, this will not replace the mandatory electronic communication with the Financial Administration. The data transfer portal together with instructions can be found on the