

Deloitte News

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Direct Taxes:

- **Methodological Instruction on the Application of Tax Allowances under Article 11 of Act No. 595/2003 Coll. on Income Tax, as Amended**
The Financial Directorate of the Slovak Republic issued a Methodological Instruction to ensure a uniform procedure for applying tax allowances.
- **Information on the Submission of Applications for the Annual Reconciliation of Prepayments of Income Tax from Dependent Activities for the 2014 Taxation Period**
The Financial Directorate of the Slovak Republic issued Information on the Submission of Applications for the Annual Reconciliation of Prepayments of Income Tax from Dependent Activities for the 2014 Taxation Period.
- **Information on the Issuance of Certificates on Taxable Income from Dependent Activities for the 2014 Taxation Period**
The Financial Directorate of the Slovak Republic has issued information regarding an employer's obligation to issue a certificate on taxable income from dependent activities to employees for a period in which they were paid taxable income.
- **Information on an Option to Extend the Time Limit for Filing an Income Tax Return**
The option to extend the time limit for filing a tax return remains unchanged compared with 2014.
- **Adjustment of Taxability Conditions and the Taxation Method for Non-Residents' Income from Services Provided**
As of 1 January 2015, the source and taxability of non-residents' income from services provided is subject to their provision in the Slovak Republic.
- **Information on the Adjustment of the Tax Base for Contractual Fines, Default Interest, Default Charges, Fixed Sum Compensation for Costs Incurred in Asserting Claims until 31 December 2014 and as of 1 January 2015**
- **Information on Changes to the Application of Expenses for Obtaining Standards and Certificates as of 1 January 2015**
Expenses for standards and certificates will be included in the tax base on a straight-line basis only after being fully paid.
- **Information on the Option to Use a New Variable Symbol for Tax Prepayments**
A new variable symbol has been introduced for regularly recurring prepayments whose amount does not change.
- **Notice of the Supplementation of the List of Contractual States**
The Ministry of Finance of the Slovak Republic has supplemented the list of contractual states for the purposes of Article 2 (x) of Act No. 595/2003 Coll. on Income Tax.

Indirect Taxes:

- **Changes to the List of Entities in Respect of Which There Are Reasons for Cancelling Their Registration for VAT Purposes (the so-called "Blacklist")**

The Financial Directorate of the Slovak Republic has published a press release informing tax entities of the fact that the period during which the tax office monitors whether or not entrepreneurs breach their obligations arising from the VAT Act will be shortened to six months (from the original 12 months) as of 1 January 2015.

- **Decision of the Court of Justice of the European Union in the Area of VAT**

C-55/14 Régie – Exemption from VAT with Respect to the Lease of Property

The provision of a football stadium for consideration under a contract reserving certain rights and prerogatives to the owner and providing for the supply, by the owner, of various services, especially maintenance, cleaning, repair and upgrading, representing 80% of the charge which is agreed in the contract to be payable, does not constitute a supply exempt from VAT, ie the letting of immovable property.

Legal:

- **Amendment to the Labour Code Returned by the President**

The amendment to the Labour Code regarding the secondment of employees that was returned by the President of the Slovak Republic to the National Council of the Slovak Republic for renegotiation has been adopted.

- **Amendment to the Social Insurance Act**

The draft amendment to the Social Insurance Act will extend the list of persons exempt from the obligation to make insurance payments.

- **Amendment to the Labour Code**

The draft amendment will enact paternity leave.

- **Amendment to the Act on Bankruptcy and Restructuring**

The draft amendment will strengthen the position of creditors.

- **Deloitte Legal Dbriefs**

Accounting:

- **New Templates of Financial Statements as at 31 December 2014**

The Ministry of Finance of the Slovak Republic has issued new templates of financial statements for entrepreneurs keeping books in the double-entry bookkeeping system, namely MICRO and OTHER REPORTING ENTITIES. Such templates will be used for the first time to prepare ordinary separate financial statements and extraordinary separate financial statements as at 31 December 2014, and if the reporting period is a financial year, for preparing financial statements during 2015.

- **Overview of Changes in IFRS for 2014**

In connection with the preparation of financial statements in accordance with the International Financial Reporting Standards (IFRS) for 2014, we are presenting a brief overview of new and amended standards and interpretations effective for reporting periods ended on or after 31 December 2014. We also indicate the effective date for financial statements prepared in accordance with the IFRS as adopted by the EU.

- **Amendments to IAS 1 – Disclosure Initiative**

On 18 December 2014, the International Accounting Standards Board (IASB) issued amendments to IAS 1 “Presentation of Financial Statements: Disclosure Initiative”. The aim of the amendments is to clarify the wording of IAS 1 to ensure that it addresses obstacles faced by reporting entities that wish to apply judgement in preparing financial statements.

- **Amendments to IFRS 10, IFRS 12 and IAS 28 “Investment Entities: Applying the Consolidation Exception”**

On 18 December 2014, the International Accounting Standards Board (IASB) issued amendments to IFRS 10, IFRS 12 and IAS 28 related to the application of the consolidation exception for investment entities. These amendments address several issues that arose in applying the exception in practice.

Others:

- **Publication of the OECD Guidance Related to the Country-by-Country Reporting of Controlled Transactions.**

On 6 February 2015, the Organisation for Economic Cooperation and Development (“OECD”) published the **Guidance on the Implementation of Transfer Pricing Documentation and Country-by-Country Reporting (“CbC Report”)**. The Guidance primarily answers the questions of taxable persons with respect to the time limits for the preparation of the CbC Report and defines to which taxable persons the requirement applies. Additionally, it deals with the use of the CbC Report by jurisdiction and mechanisms of CbC Report exchange between states.

- **Dbriefs**

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