

Fresh tax, legal and economic information

NEWSLETTER

1/2022

THE CLASSIFICATION OF THE TAX SUBJECTS ACCORDING TO THE TAX
RELIABILITY INDEX.



We are a member of HLB International, the global advisory and accounting network

THE CLASSIFICATION OF THE TAX SUBJECTS ACCORDING TO THE TAX RELIABILITY INDEX.

Dear client,

the **Financial Administration of the Slovak republic** currently sends information about the classification of the tax subjects according to the tax reliability index into 3 categories:

1.Highly reliable entity

2.Reliable entity

3.Unreliable entity

What does it mean for you? For more information read further:

1. HIGHLY RELIABLE ENTITY

Benefits

- **Acceptance of the request to pay advance payments for Corporate Income Tax in a different manner in justified cases in accordance with Section 42(10) of the Income Tax Act,**
- **Acceptance of the request to pay advance payments for Income Tax of Natural Persons in a different manner in justified cases in accordance with Section 34(4) of the Income Tax Act,**
- **Acceptance of the request to pay advance payments for Motor Vehicle Tax in a different manner in justified cases in accordance with Section 10(11) of the Motor Vehicle Tax Act,**
- **Issuance of certificate of personal account status within 15 days – Section 53(4) of the Tax Code,**
- **Prioritisation of other actions in order to secure payment of tax arrears before initiating tax collection enforcement proceedings,**
/ This is an automatic action by tax or customs collecting agent, where a certain action, e.g. drawing up of a report, summoning, conducting of on-site investigations, etc. is performed before collection enforcement action takes place.

- **Acceptance of the request for a consent to dispose of with an object of the pledge, respecting the terms stipulated by tax administrator – Section 81(7) of the Tax Code,**
/ Tax and customs collecting agent should accept each such request.
- **Prioritisation of on-site investigation over tax audit in case of verification of excess VAT,**
/ This is an automatic action by the tax administrator
- **Possibility to set the date of commencement of tax audit in order to determine the eligibility of a claim for refund of excess VAT by the way of agreement with the tax administrator,**
/ This is an automatic action where the controller should contact the representative or the entity by phone, in person, or by e-mail.
- **Possibility to set the place of performance of tax audit in order to determine the eligibility of a claim for refund of excess VAT by the way of agreement with the tax administrator,**
/ This is an automatic action where the controller should contact the representative or the entity by phone, in person, or by e-mail.
- **Automatic refund of excise tax without a tax audit in the value not exceeding EUR 1,000,**
- **Acceptance of the request to decrease the deposited security for excise tax,**
- **Preparation of a sub-protocol within a tax audit to check the eligibility of excess VAT,**
- **Setting a period of at least 15 days in a notice related to the performance of a tax audit or a on-site investigation,**
- **Reduction of fee for issuance of a binding opinion to one half,**
/ EUR 1000 vs. EUR 500
- **Reduction of fee for the issuance of the decision on the approval of the use of a specific method of determining the tax base of a permanent establishment and the decision on the approval of the use of a valuation method – Section 17(7) and 18(8) of the Income Tax Act,**
/ 30 000 EUR vs 15 000 EUR or 10 000 EUR vs. 5 000 EUR

- **Acceptance of the request for a postponement of payment of tax or tax arrears,**
/ Terms and conditions from the Financial Administration of Slovak republic´s portal are not assessed.
- **Acceptance of the request to pay tax in instalments**
/ Terms and conditions from the Financial Administration of Slovak republic´s portal are not assessed

2. RELIABLE ENTITY

Benefits

- **Acceptance of the request to pay advance payments for Corporate Income Tax in a different manner in justified cases in accordance with Section 42(10) of the Income Tax Act,**
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- **Prioritisation of other actions in order to secure payment of tax arrears before initiating tax collection enforcement proceedings,**
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/ EUR 30,000 vs. EUR 15,000 or EUR 10,000 vs. EUR 5,000
- **Acceptance of the request for a postponement of payment of tax or tax arrears,**
/ Terms and conditions from the Financial Administration of Slovak republic´s portal are not assessed.
- **Acceptance of the request to pay tax in instalments.**
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3. UNRELIABLE ENTITY

Restrictions

- **Reduced period for compliance with the obligations related to tax audit, enforcement proceedings or on-site investigations.**

/ Period of 8 days – cannot be prolonged.

ABOUT US

The companies **MANDAT CONSULTING, k.s.** and **MANDAT AUDIT, s.r.o.** were founded in 2004 as tax advisory and auditing companies. Since their establishment, they have been providing small, medium-sized and companies active in Slovakia with services in the field of tax consultancy, audit and accounting. Long-lasting cooperation with foreign advisory companies hand in hand with the competence of Slovakian tax advisors and auditors enables us rendering our service to the clients originated from abroad.

In present time, 57 well trained members of our staff are at the disposal to our clients.

Information provided in this material are only of a cursory nature.

MANDAT CONSULTING, k.s. assumes no liability for any decision taken on the basis of this issue.

Should you wish to add other person to be receiving NEWSLETTER, please contact: news@mandat.sk

Please contact us, should you require additional information.



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