

1. Government requirements

Registration requirements

Tax registration

Employer registration for the Personal Income Tax (PIT) purpose (payroll tax) must be completed within 30 days from the company being registered in the Commercial Register. The mandatory communication with the tax authorities is done via a specialized electronic portal. There is no fee for the registration of employer for the payroll tax purposes in Slovakia.

Social Security registrations

Social Security System in Slovakia is defined by Act No. 461/2003 Coll. on Social Insurance effective as of January 2004 and the governing authority in Slovakia is the Slovak Social Security Authority (SIA). The list of the respective branch offices of the SIA is provided at the authority's official website.

Registration for social security purposes — employer

There is a legal obligation to register the company for social security purposes prior to the start of the employment of the first employee and to deregister the company within eight days after the last employee is terminated. The employer must sign in to the registry kept by the respective branch office of SIA. Upon registration of the employer, the competent SIA branch office allocates the "Identification number of Employer" aka "Identifikačné číslo zamestnávateľa" (IČZ) to the employer.

There is no fee for the registration of the employer for social security purposes in Slovakia.

Registration for social security purposes — employees

There is a legal obligation to register each employee for social security purposes prior to the start date of employment concluded in the contract. Upon termination of employment, deregistration of the employee from the social insurance is done by the employer. This information needs to be submitted via the same form as registration and it has to be done within

eight days from the employee's contract termination. There is no fee for the registration of the employee for social security purposes in Slovakia.

Health insurance registration

The Health Insurance System in Slovakia is defined by the Health Insurance Act No. 580/2004 Coll. There are three different Health Insurance Companies in Slovakia currently, one public and two private ones:

- Všeobecná zdravotná poisťovňa, a.s. (public)
- Union zdravotná poisťovňa, a.s. (private)
- Dôvera zdravotná poisťovňa, a.s. (private)

Every employer must register in the same Health Insurance Company where its employees are registered.

Registration for health insurance purposes —employer

The employer is obliged to register with the particular Health Insurance Company when the first employee is registered. Each Health Insurance Company has its own format of application for registration. The registration can be done in a hard copy via post or electronically, however, when the employer has three or more employees, the registration can be done electronically only.

Registration for health insurance purposes —employees

Each individual needs to be registered for public health insurance in Slovakia in the Health Insurance Company of his or her choice meeting one of the following criteria:

- The person has a permanent residency in Slovakia
- The person is employed by the employer with a registered office or branch in Slovakia

There is a legal obligation for the employer to register each employee for health insurance purposes, within eight days from the start date of employment concluded in the contract. Upon termination of employment, deregistration of the employee from the health insurance is done by the employer via the same form as a registration and it has to be done within eight days upon contract termination.

There is no fee for the registration of the employee for health insurance purposes in Slovakia.

Ongoing compliance requirements

Tax compliance

After the registration for payroll tax purposes, there is a monthly and annual filing obligation for the employer, which can be done only electronically. The monthly tax withholding report for a particular month has to be filed

with the Slovak Tax Authority by the end of the following month. The annual tax withholding report for a particular year has to be filed with the Slovak Tax Authority by the end of April of the following year.

The tax rates applicable for the employment income derived in 2021 are as follows:

- Annual taxable income (except for income from capital and dividend income) up to EUR37 981,94 is taxed at 19%.
- Annual taxable income (except for income from capital and dividend income) above EUR37 981,94 is taxed at 25%.

The calculated payroll tax has to be deducted by the employer from the employee's salary and paid to the Slovak Tax Authority within five days after the pay date.

Social Insurance compliance

After the registration for social security purposes, there is a monthly filing obligation for the employer, which can be done only electronically. The monthly social security report for a particular month has to be filed with the Slovak Social Security Authority on a pay date at the latest.

The social insurance caps and rates applicable for the employment income derived in 2021 are as follows:

Social security	Maximum monthly assessment base for 2021	Employer's part	Employee's part	Total
Sickness insurance	EUR7,644	1.40%	1.40%	2.80%
Old-age insurance	EUR7,644	14.00%	4.00%	18.00%
Disability insurance	EUR7,644	3.00%	3.00%	6.00%
Accident insurance	No ceiling	0.80%	—	0.80%
Unemployment insurance	EUR7,644	1.00%	1.00%	2.00%
Guarantee insurance	EUR7,644	0.25%	—	0.25%
Solidarity reserve fund	EUR7,644	4.75%	—	4.75%
Contribution's total (%)	N/A	25.20%	9.40%	34.60%

The calculated social security contributions (employer's and employee's part) have to be paid to the Slovak Social Security Authority on a pay date at the latest.

Health Insurance compliance

After the registration for health insurance purposes, there is a monthly filing obligation for the employer. This filing can be done in a hard copy via post or electronically by the employers having one or two employees, and only electronically by the employers having more than three employees in total. The monthly health insurance report for a particular month has to be filed with the selected Health Insurance Company within three days after the pay date.

The health insurance rates applicable for the employment income derived in 2021 are as follows:

	Employer's part	Employee's part	Total
Health insurance rate	10%	4%	14%

There are no caps in the health insurance in Slovakia, the contributions

are paid from the whole employment income. The calculated health insurance contributions (employer's and employee's part) must be paid to the selected Health Insurance Company within three days after the pay date.

2. Pension requirements

Registration requirements are not applicable here. Pension contributions are part of the obligatory social insurance contributions in Slovakia (as described earlier).

Ongoing compliance requirements

Compliance requirements are not applicable here. Pension contributions are part of the obligatory social insurance contributions made by the employer in Slovakia and are reported as a part of the monthly social security report.

3. Employment obligations

Except for the aforementioned laws, the Slovak Labour Code regulates individual and collective labor relations. An employee's maximum weekly working time is 40 hours per one week.

The minimum monthly wage applicable in Slovakia for 2021 is EUR623 per one calendar month. The minimum hourly wage applicable in Slovakia for 2021 is EUR3 580 per one hour. However, there are some professions which have a higher minimum wage rate. According to the Labour Code, there are six levels of labor complexity:

Level of labor complexity	Coefficient	Minimum wage
1	1.0	EUR623
2	1.2	EUR739
3	1.4	EUR855
4	1.6	EUR971
5	1.8	EUR1087
6	2.0	EUR1203

Employers are obliged to provide their full-time employees with meals

that shall meet requirements of healthy nutrition. This can be done either through the company's own catering facilities or public catering facilities. However, employers mostly provide their employees with meal vouchers. The meal vouchers are the only option of replacement in this regard. In case of provision of meal vouchers, employees are entitled to receive the meal voucher for each working day when they have worked for more than four hours in a working shift.

The minimum value of a meal voucher is EUR3,83. The value of a meal voucher can reach up to EUR5,10. Provision of employees' meals is exempt from health and social insurance contributions as well as from income tax. The employer shall contribute to employees' meal vouchers at least by 55% of its value.

Similar rules apply for business trips, since employers are obliged either to provide the employees with a meal during their business trip or to provide a compensation in a form of travel allowances, depending on the duration of the business trip and destination.

For domestic business trips (within Slovakia), the travel allowances applicable for 2021 are as follows:

Length of the business trip	Travel allowances amount
5–12 hours	EUR5,10
12–18 hours	EUR7,60
More than 18 hours	EUR11,60

Different amounts of travel allowances are applicable for foreign business trips, depending on the destination of the business trip.

When a meal is provided to the employee during the business trip (e.g., as a part of the accommodation), the travel allowances are proportionally reduced as shown in the figure:

Provided food	Travel allowances reduction
Breakfast	25%
Lunch	40%
Diner	35%

Compensations:

Night work

If the majority of a shift falls between 10 p.m. and 6 a.m., it is considered a night shift. Employees who work night shifts are entitled to a wage surcharge of at least 40% of their minimum wage for night hours worked.

Public holidays

Employees must be paid their normal wage plus a surcharge of at least 100% of their average earnings if they work on a public holiday, even if that holiday falls on their rest day.

If employees do not work because a public holiday falls on their normal working day, they are entitled to wage compensation equal to their average earnings. However, for employees who are paid monthly, holidays are counted and paid as normal working days, therefore, they are not entitled to wage compensation for public holidays.

Overtime

Employees must be paid at least 25% premium for time worked in addition to the weekly standard hour although, the employee may agree with the employer on a compensatory time off in lieu instead of the overtime pay. The overtime premium for hazardous work must be at least 35%.

Average weekly working hours including overtime generally cannot exceed 48 hours per one week.

An employee can be required to work up to 150 hours of overtime in a calendar year and can voluntarily work up to 400 hours in one calendar year.

Vacations

The Slovak Labour Code stipulates that employees are entitled to 4 weeks

(20 work days) of paid vacations per one calendar year. If an employee is more than 33 years old, he or she is entitled to an extra week of vacation with full pay, i.e., five weeks of paid vacations in total per one calendar year. As of 2020, employees who are less than 33 years old but have permanent care of the child have annual vacation entitlement of 5 weeks, i.e., 25 days for particular year.

Other absences and compensations Doctor's visit

Employees are entitled to receive a paid leave (with average wage compensation) for a visit of a doctor in a medical facility for a maximum of seven days per one calendar year and another seven days per one calendar year for a doctor's visit in a medical facility with a family member.

Maternity leave

Standard maternity leave in Slovakia is 34 weeks and the government pays 75% of the worker's salary during the leave. In case of multiple births, the worker can receive up to 43 weeks of maternity leave.

Termination of employment

An employee's job may be terminated under a range of conditions, including immediate termination, by mutual agreement or during a probationary period. An employee can terminate employment without specifying the reason. The employer can terminate employment only according to the provisions of the Labour Code. The employee can be entitled to receive the severance payment upon termination of employment in specific situations stated in the Labour Code.

4. Payroll requirements

In Slovakia, the payroll is prepared on a monthly basis, with 12 payroll runs per one calendar year. All employees have to be paid for their work on a pay date at the latest. The pay date is determined and agreed in writing with the employee in the employment contract.

Payslips

Together with the salary payment, the employer is obliged to provide employees with their payslip, two days after the pay date at the latest. The payslip can be provided either in a hard copy or electronically (via email or through the designated portal), depending on the agreement

with the employee.

5. Banking requirements related to payroll

There are no legal restrictions regarding salary transfer in local currency — it can be paid into a Slovak bank account or a foreign bank account.

Payments to authorities

Since there are no legal restrictions, the payments in local currency can be made from a Slovak or a foreign bank account number. However, it is recommended to use a Slovak bank account (if available), as this is easily recognized by the authorities.