



Doing Business in Slovenia

Audit / Tax / Advisory

Smart decisions. Lasting value.

Welcome

to Doing Business in Slovenia

Doing Business in Slovenia has been prepared by the Crowe Global member firm in Slovenia in order to provide general information for persons planning to do business with or in the country concerned and/or individuals intending to live and work in Serbia temporarily or permanently.

This Guide includes relevant information about business operations and taxation matters. It is intended to assist organizations that are considering establishing a business in Slovenia either as a separate entity or as a subsidiary of an existing foreign company. It will also be helpful to anyone planning to come to Slovenia to work and live here either on secondment or as a permanent life choice.

Unless noted otherwise, the information contained in this Guide is believed to be accurate as of 1 January 2020. However, general publications of this nature cannot be used and are not intended to be used as a substitute for professional guidance specific to the reader's particular circumstances.

All lasting business is built on friendship.

Alfred A. Montapert



About Crowe Global

Crowe Global is ranked among the top 10 global accounting networks with more than 180 independent accounting and advisory services firms in about 140 countries around the world. Crowe Global's member firms are committed to impeccable quality service, highly integrated service delivery processes and a common set of core values that guide decisions daily.

Each firm is well-established as a leader in its national business community and is staffed by nationals, thereby providing the knowledge of local laws and customs which is important to clients undertaking new ventures or expanding into other countries. Crowe Global member firms are known for their personal service to privately and publicly held businesses in all sectors and have built an international reputation in the areas of audit, tax and advisory services.

General information

Local currency, Exchange rate to EUR as of 01/06/2020	EUR
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Types of organization

LLC

Name in local language	Slovenian language; in the name of a company, the use of the word Slovenia is permitted except in the case of obtaining a permit
Registrable in commercial register / legal entity	Sole proprietorship AJPES; multi-person company notarial record and registration in court
Minimum capital	7.500 EUR
Minimal number of shareholders/ Maximum number of shareholders	Min 1, max 50
Capital tax / Registration fees	Registration procedure with the e-VEM is free of charge
Written form/ notarization	Notarization
Registration with tax authorities	Obtain tax identification number in Slovenia
Statutory audit	Only for mid and big size company (over 50 employees or/and 4.4 mio assets or/and 8,8 mio turnover)

Public company (joint-stock company)

Name in local language	Slovenian language; in the name of a company, the use of the word Slovenia is permitted except in the case of obtaining a permit
Registrable in commercial register / legal entity	A joint stock company is established by a notary.
Minimum capital	25.000 €
Minimal number of shareholders/ Maximum number of shareholders	n/a
Capital tax / Registration fees	n/a

Written form/ notarization	Notarization
Registration with tax authorities	Obtain tax identification number in Slovenia
Statutory audit	n/a

Branch (permanent establishment)

Name in local language	Slovenian language; in the name of a company, the use of the word Slovenia is permitted except in the case of obtaining a permit
Registrable in commercial register / legal entity	E-VEM or by a notary
Minimum capital	0
Minimal number of shareholders/ Maximum number of shareholders	n/a
Capital tax / Registration fees	Registration procedure with the e-VEM is free of charge
Written form/ notarization	n/a
Registration with tax authorities	Obtain tax identification number in Slovenia
Statutory audit	n/a

Value added tax (VAT)

Tax rates	5%, 9.5%, 22%
Supply of goods	5%, 9.5%, 22%
Supply of services	9.5%, 22%
Special provisions (exemptions to the general rule)	n/a
Reverse charge on local supplies	Some services in building/construction sector
Import of services	VAT based on the place of service taxation
Deadline and conditions for VAT refund	Until 20th, if the company operates abroad, otherwise by the end of the month for the previous month

Major Tax exemptions	Public interests activities: health, social, education, religious communities, sports and physical education, universal postal services, culture, activities of non-profit organizations
Real Estate	Use of building land tax, 2% Real Estate Sales Tax
Foreign taxable persons (VAT registration)	Obtain tax identification number in Slovenia

Corporate tax

Accounting rules	Companies have the option to apply either IFRS or Slovenian Accounting Standards (SAS)
Tax rate	19%
Tax base	Profit - surplus of taxable revenues over expenditures
Tax assessment period	Fiscal year
Loss set-offs/ carry forwards	Loss carry forwards
Tax/ accounting depreciation	Tax depreciation
Tax deductibility of interest, Excessive interest rate rule, Thin capitalization rule	The tax-deductible interest rate is set for loans between relate parties
Reserves for bad debts, leaves, etc.	Yes
Other Major tax adjustments a) increasing and b) decreasing taxable profit	<p>Tax reliefs: Investments, employment, donations, Base increase: Costs related to private life (entertainment, recreation, sports and recreation, including the related value added tax)</p> <ul style="list-style-type: none"> • Costs of enforced collection of taxes or other charges • Penalties, imposed by the competent authority • Taxes paid by the owner as a natural person, • VAT, which the taxpayer did not claim as a deduction of input tax, even though he was entitled to it, • Interest on late payment of taxes • Donations • Bribes
Transfer pricing, Transfer pricing documentation, Related parties	Yes

Withholding tax	15%
Interest	15%
Royalties	15%
Services	n/a
Group taxation	n/a

Personal income tax

Taxable income	<p>Income tax sources are divided into:</p> <ul style="list-style-type: none"> • Income from employment • Income from activities of sole proprietors • Income from basic agricultural and basic forestry activities • Income from the letting of property and from the transfer of property rights • Income from capital • Other income
Income from employment/ self-employment	Between 16 % and 50 %
Income from property and property rights	27.50%
Income from capital	27.50%
Other income	27.50%
Withholding tax	27.50%
Interest	27.50%
Royalties	27.50%
Dividends	27.50%
Capital gain	27.50%

Mandatory social contributions

Contribution rates	16.10%
Minimum and maximum contribution	n/a
Self-employed individuals	38.20%
Employed individuals	22.10%

Global employment issues

Work and Residence permit	Obligatory for all non-EU nationals who wish to be employed in Slovenia.
Minimum salary	940.58

Taxation of immovable property

Tax depreciation	3%- 6%
Depreciation categories	n/a
Land	0%
Building	Building 3%, Part of building 6%
Tax base	Real estate sales value
Special depreciation	n/a
Real estate transfer tax	2%
Property tax (rate and base)	n/a
Real estate funds	n/a
Owner of the fund assets	n/a
Valuation	n/a
Investment	n/a

Risk diversification	n/a
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Incentives

Tax depreciation	3%- 6%
Depreciation categories	n/a
Land	0%
Building	Building 3%, Part of building 6%
Tax base	Real estate sales value
Special depreciation	n/a
Real estate transfer tax	2%
Property tax (rate and base)	n/a
Real estate funds	n/a
Owner of the fund assets	n/a
Valuation	n/a
Investment	n/a
Risk diversification	n/a

Tax liabilities

	For taxpayers	For directors (chief officers)
Binding opinion/ Advanced tax rulings	Automatic calculation of PIT by the tax administration	n/a
Penalties for late payment of tax	Late payment interests	n/a
Tax misdemeanor provisions	Penalty between 800 and 300k € for CIT, Penalty between 1,200 and 125k € for VAT	Penalty between 400 and 5k € for CIT, Penalty between 200 and 4,1k € for VAT

Criminal provisions	n/a	n/a
Piercing the corporate veil	n/a	n/a
Advanced pricing agreements	n/a	n/a
Other issues (if relevant)	n/a	n/a

Deadlines for reporting and payment of taxes and social contributions

Type of tax	Reporting deadline	Payment deadline
CPT	within 3 months after the end of FY	within 30 days of the submission
PIT	the day of salary payment	5 days after salary payment
VAT	20th (EU) or last day of the month for previous month	Last day of the month for previous month
Social contributions	the day of salary payment	5 days after salary payment



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About Crowe in Slovenia

We are committed to impeccable service quality, highly integrated service delivery processes and a common set of core values that guide our decisions daily.

Our firm is well-established as leader in our national business community and is staffed by nationals, thereby providing a knowledge of local laws and tax regulations, which is important to clients undertaking new ventures or expanding into other countries.

Our Global Reach

In addition to our local and regional services, as members of Crowe Global, we can draw on a worldwide network of independent professionals and their know-how. The Crowe Global network consists of more than 180 independent accounting and advisory services firms in about 140 countries around the world.

As member firm of Crowe Global we offer comprehensive, international expertise in a broad range of business consulting practices, including assurance, M&A, corporate finance, forensic services, human resources services, tax & regulatory.

This unique combination of our local and regional talent coupled with the global reach of our network provides us with the local expertise and global worldwide capabilities our clients expect and deserve.