



Daňovky

**Tax and Legal
news**

**Legal
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In brief**

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Four selected legislative changes related to the environment

We would like to bring to your attention the legislative changes aimed primarily at reducing the amount of plastic waste and equipping buildings with charging stations for electric vehicles.



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TAX AND LEGAL

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1. Providing plastic carrier bags for a fee

On 27 December 2019, the amendment to Act No. 79/2015 Coll. on Waste and on amendments to certain acts („**Act on waste**“) stipulating the **minimum price of plastic carrier bags** provided by the packaging producers for the purchase of goods or products, became effective.

In spite of the fact that the legislation effective as to 26 December 2019 contained an obligation to provide plastic carrier bags for a consideration, it did not specify the amount. The packaging producer who provides plastic carrier bags for the purchase of goods or products is now obliged to provide them for **at least a price corresponding to the acquisition price** (i.e. the price at which the packaging producer obtained the plastic carrier bags).

At the same time, the amendment extends this obligation to **all plastic carrier bags** (with the exception of very lightweight plastic carrier bags with a wall thickness below 15 micrometres which are required for hygiene reasons as a primary packaging for loose food or to prevent food waste).

The obligation to provide also other types of carrier bags (e.g. paper or textile carrier bags) for the purchase of goods or products has not been affected by this amendment.

For failure to comply with those obligations, the packaging producer may be subject to a fine ranging from EUR 500 to EUR 50,000. The Slovak Trade Inspection authority is authorized to control compliance with such obligations and impose fines.

2. Prohibition of placement of single-use plastic products and packaging and non-packaging products made from oxo-degradable plastics[1] on the market of the Slovak Republic

With effect as of 3 July 2021, the amendment to Act on waste introduces a **prohibition of placement of single-use plastic products** on the Slovak market.

The prohibition will concern mainly the following single-use plastic products:

- plates and cutlery,
- beverage mixers,
- cotton buds and straws (excluding those used in health care as medical devices),
- sticks attached to balloons or supporting balloons (except for balloons for industrial or other professional use which are not distributed to the consumers),

- food packaging (e.g. fast food packaging), beverage packaging and beverage cups made of expanded polystyrene.

Single-use plastic products may be distributed until 31 December 2021, at the latest.

At the same time, placement of packaging and non-packaging products made of oxo-degradable plastics will also be prohibited.

3. Deposit on single-use beverage packaging

On 1 December 2019, Act No. 302/2019 Coll. on deposit on single-use beverage packaging and on amendments to certain acts („**Act on deposit**“) became effective, with divided effectiveness within the period of years 2019 and 2022. The provisions concerning the deposit on single-use plastic and metal beverage packaging will take effect only as of 1 January 2022.

The Act on deposit on single-use beverage packaging introduces a number of obligations for packaging producers and packaging distributors who sell beverages in deposit single-use plastic and metal beverage packaging to the end-user, especially following:

- deposit single-use beverage packaging and to abide by the amount of the deposit determined by the administrator of the deposit system of single-use beverage packaging („**administrator**“),
- mark the packaging in a way clearly showing that the packaging is covered by the deposit system (**packaging producer**),
- indicate the amount of the deposit with the sales price of the product (**packaging distributor**),
- keep separate accounting records of the sales price of the product and the amount of the deposit,
- ask the administrator to conclude a contract on fulfilment of the obligations pursuant to the Act on deposit and to register the single-use beverage packaging covered by the deposit system with the administrator before placing it on the market,
- collect waste from single-use beverage packaging at the place of operation or within 150 meters of such a place without quantity limitation and limiting this collection to the purchase of goods (**packaging distributor**),
- return the full amount of the deposit to the end-user who returns the deposited single-use beverage packaging, even without proving the payment of such deposit (**packaging distributor**),
- keep records of deposited single-use beverage packaging and report the data to the administrator.

The obligation to collect waste from single-use plastic beverage packaging at the place of operation or within 150 meters of such a place will only apply to a distributor with the sales area of at least 300 m² (with the exception of the distributor who sells beverages as complementary goods, even though he meets the condition of the sales area of **at least 300 m²**). The collection of such waste will be **optional** for distributors with the sales area of less than 300 m².

4. The obligation to install charging stations for electric vehicles

On 10 March 2020, the amendment to Act No. 555/2005 Coll. on the energy performance of buildings and on amendments to certain acts will become effective. The amendment introduces an obligation for **owners of new or significantly restored non-residential buildings** to equip such buildings with at least one electronic vehicle charging station and with a wiring infrastructure in at least one of five parking spaces. This obligation concerns non-residential buildings with more than 10 parking spaces. Additionally, each non-residential building with more than 20 parking spaces has to be equipped with at least one charging station **by 1 January 2025**.

The owners of new and significantly restored residential buildings with more than 10 parking spaces will be obliged to equip them with the wiring infrastructure for each parking space.

An exception from this obligation will apply to the owners of buildings for which an application for a building permit or a request for permission to restore a building is submitted by 10 March 2021 and the owners of significantly restored buildings if the costs for instalment of charging stations and wiring infrastructure exceeds 7 % of the total building renovation costs.

Note:

[1] According to the amendment, the oxo-degradable plastic means a plastic material that includes additives which catalyse the fragmentation of the plastic material into micro-fragments or its chemical dissociation.



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One of the employers' obligations when sending an employee abroad is to obtain a document confirming that the employee is socially insured in Slovakia- i.e. A1 certificate. A1 certificate is issued by the country whose legislation is applicable to the posted worker. The document confirms that posted worker is not obliged to pay contributions for social security (including health insurance) in other EU countries. However, according to available statistics only 48% of employees always have A1 certificate during each business trip, and 43% of posted workers have this document occasionally.

Many EU countries are strict in inspections- e.g. France, Austria, Belgium, Netherlands, Luxembourg. Companies face risk of penalties in case their posted employees do not have A1 certificate available. For example, the amount of the penalty in France is above EUR 3,000, but in Austria and in Luxembourg the penalties may reach EUR 10,000. Besides the penalty, companies face even more of the pitfalls- the reputation risk. It is very difficult to get rid of the status of an illegal employer.

Of course, not only companies bear the risks, the risks are also on side of the posted employees. First possible complication may be an unpleasant inspection and if the employee is not able to provide the necessary document, he/she may be interviewed at the police station. Last but not least- in case of health problems or an accident, the posted employee will not have the relevant document proving his/her entitlement to healthcare in the host country.

If you are not sure whether your company complies with the EU legislation, please [contact us](#) and we will be glad to advise you. More about A1 certificate is available in our [product offering](#).



Deadlines for the fulfillment of obligations in relation to the financial statements and the annual report

We provide you with an overview of deadlines for the preparation, presentation, audit, review, approval, filing and publication of financial statements and annual report.



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A summary of the situation as of 1 January 2020 is set out below. We updated our [News 2017/03](#) as a result of the amendment to the Act on Accounting by Act No. 363/2019 Coll. of 15 October 2019 amending, from 1 January 2020, the criteria for the obligation to have financial statements audited by an auditor and introducing the obligation to have compliance of a statement of selected data from financial statements prepared according to the IFRS as adopted by the EU with the financial statements audited by an auditor. For more information regarding this amendment, please see our [News of December 2019](#).

Furthermore, the obligations of a simplified joint-stock company and a branch have been added. The summary only concerns companies (joint-stock companies, simplified joint-stock companies, limited liability companies, limited partnerships, general partnerships) that are entrepreneurs; it does not reflect the specific requirements and regulations applicable to other accounting entities, for example, banks, insurance companies, state-owned enterprises, cooperatives, etc. or other special legislation, for example, the Act on Securities etc.

The obligations concerning a simplified joint-stock company are, in essence, similar to those of a joint-stock company, as transpires from Article 220h (3) of the Commercial Code: Unless otherwise provided in this Chapter, the provisions of Section Five of this Chapter of the Commercial Code concerning a joint-stock company should apply accordingly to a simplified joint-stock company.

Deadlines are available [here](#).



What changes will Brexit induce in the residency rights of UK nationals in Slovakia

Withdrawal of the United Kingdom (UK) from the European Union on 31 January 2020 (Brexit) induces new obligations for UK nationals living in Slovakia. Brexit also amends residency rights of the UK nationals arriving to Slovakia within the transition period, i. e. until 31 December 2020, as well as after 1 January 2020 when the transition period terminates.



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Registered right of residence in Slovakia before Brexit

UK nationals who registered their right of residence in Slovakia at least 5 years before Brexit, i. e. before 31 January 2015, will obtain the **long-term residence** in Slovakia.

UK nationals who registered their right of residence in Slovakia after 31 January 2015 and before 31 January 2020, will obtain the **permanent residence for 5 years** in Slovakia.

UK nationals with registered right of residence in Slovakia can apply for the residency permit change and for issuance of the new residency card in person at respective Foreign Police department within the end of the transition period, i. e. until 31 December 2020.

Provided that the UK nationals will not apply for the residency permit change and issuance of the residency card within this date, as at 1 January 2021 their residency permit will be changed to long-term residence or to permanent residence for 5 years, according to their date of registration in Slovakia before Brexit. However, they will still need to apply for the new residency card at the respective Foreign Police department in person within 30 June 2021.

Commencement of residence in Slovakia during the transition period

Within the end of the transition period, UK nationals will keep the same residency rights in Slovakia as the EU nationals. Provided that the UK nationals arrive to Slovakia between 31 January 2020 and 31 December 2020 for longer than 3 months, they can choose from the following residency options:

1. Registration of the right of residence in Slovakia, or
2. Application for the permanent residency permit for 5 years.

For UK nationals who arrive to Slovakia within the transition period with intentions to stay here also after the transition period terminates, it is recommended to apply directly for the permanent residence for 5 years and for respective residency card.

Expected commencement of residence in Slovakia after termination of the transition period

After 1 January 2021 UK nationals will be considered third country nationals in relation to EU member states. In case they will be interested in residency in Slovakia, they will need to apply for the temporary residency for the respective purpose, e. g. business, employment or study, or for other type of authorised residency type in Slovakia.

According to the Agreement on the withdrawal of the UK from EU, it is not expected to apply the visa requirements for UK nationals travelling to the EU member states after the end of the transition period.



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