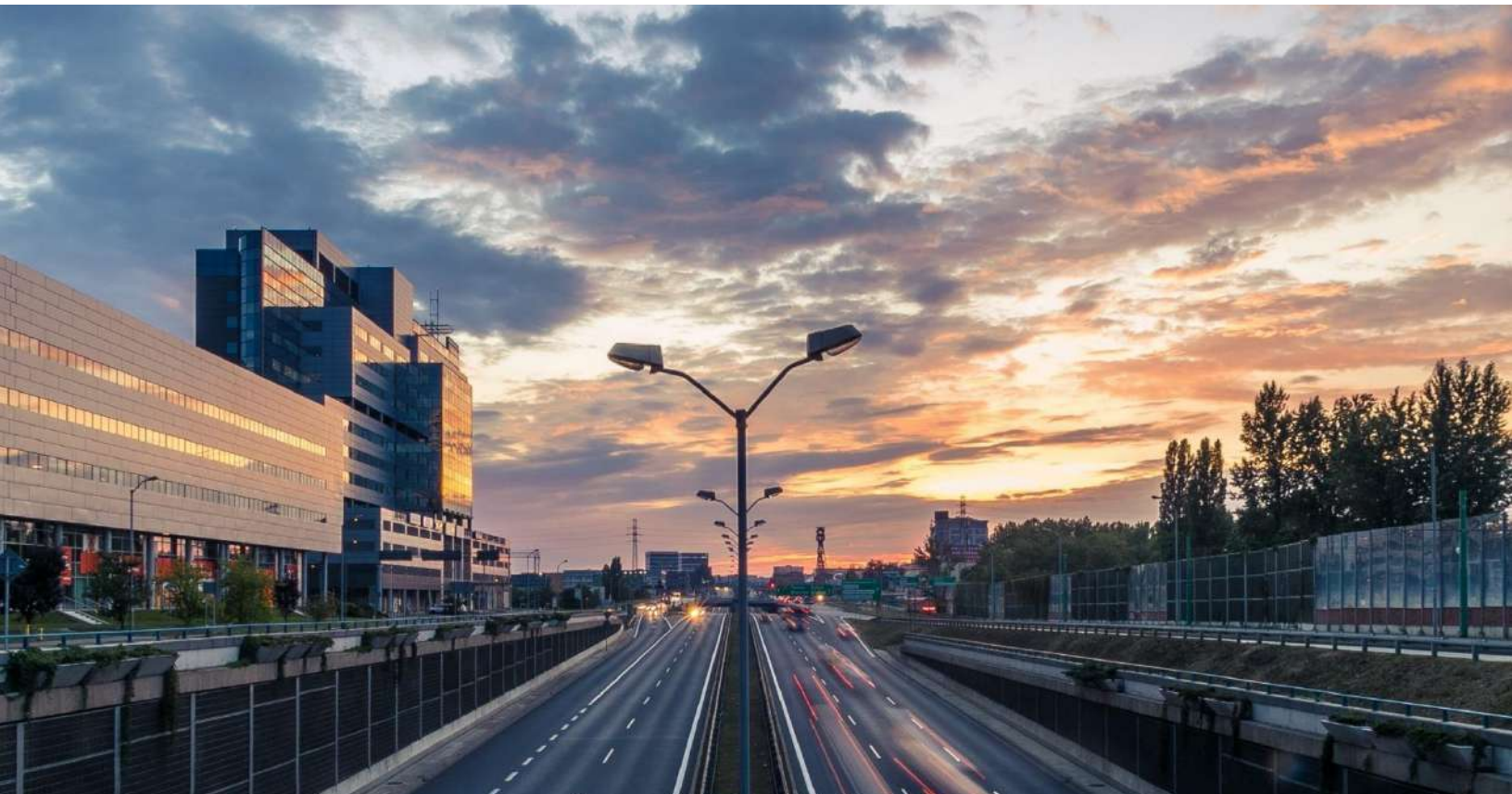


accace

News Flash

November 23, 2020



Approved amendment to the Motor Vehicle Tax Act in Slovakia

The approved amendment to the Motor Vehicle Tax Act will already affect the tax for 2020

On November 5, 2020, the National Council of the Slovak republic approved a government bill that will amend Motor Vehicle Tax Act **from December 1, 2020**. The amendment brings changes that will be applied when submitting tax return to motor vehicle tax **for 2020** and they will positively impact mostly **entrepreneurs in the area of cargo and bus transportation**.

Annual tax rate

A new annex to the Act no. 1a is being introduced, and it sets fixed tax rates specifically **for tractors and semi-trailers**. At the same time, obligatory pairing of tractors and semi-trailers to semi-trailer combination of vehicles in order to apply the next lower tax rate is abolished. The new annex to the Act no. 1a is already adjusted, so that for every tractor and semi-trailer without semi-trailer combination of vehicles, the next lower tax rate for the relevant category from the annex no. 1 of this act will be applied.

Annual tax rate adjustment

The current setting of the adjustment of the annual tax rate according to the age of the vehicle remains for the vehicles of the categories L, M1, N1, N2, O1 to O3. Simultaneously, a preferential adjustment of the annual tax rate according to the age of the vehicle is introduced for vehicles of categories M2, M3, N3. For the vehicles of a category O4, a flat-rate adjustment of the tax rate is introduced regardless of the age of the vehicle.

- The tax rate for vehicles of a category **M2, M3, N3**:
 - is decreased by 50% during the first 36 months from the date of the first vehicle registration,

- is decreased by 40% during the following 36 months,
- is decreased by 30% during the following 36 months,
- is decreased by 20% during the following 36 months,
- is decreased by 10% during the following 12 months,
- annual tax rate is used from 157. month.

- The annual tax rate for vehicles of a category **O4** is decreased by 60% regardless the age of the vehicle.

Estimated tax and tax advances

The amendments to adjustments in the annual tax rate will also impact the calculation of the estimated tax. Regarding the tax advances, the already established limits for the payments of quarterly and monthly advances remain the same. **Exceptionally, the tax advances will not be paid at all in 2021 for the period from January 1, 2021 to March 31, 2021, while during the remaining period of 2021, the taxpayers will pay the amount of their estimated tax** as follows:

- If a taxpayer is obliged to pay quarterly advances, these advances will not be paid in four quartal payments in the

amount of one quarter of the estimated tax, but in the amount of one third from the amount of the estimated tax, while the first advance is due on June 30, 2021. Other advances will be due by the end of the third and fourth calendar quarters.

- If a taxpayer is obliged to pay monthly tax advances, these will not be paid in twelve monthly payments in the amount of one twelfth of the estimated tax amount, but in the amount of one ninth of the estimated tax amount. The first advance payment will be due to April 30, 2021 and the following ones at the end of each month from the fifth to twelfth calendar months.

Deadline for tax return filing

A new tax return form will be introduced for **2020** and the taxpayers will be obliged to use it.

The deadline for submitting the tax return to the tax administrator is postponed to **March 31, 2021**. For the time being, the exception only applies to the tax return for 2020. Simultaneously, if a taxpayer was obliged to submit a tax return for a motor vehicle tax for a tax period starting no earlier than January 1, 2020 before the entry of the amendment into force, i.e. December 1, 2020 and is a subject to the benefits from the amendment, he may submit the tax return to the motor vehicle tax for 2020 again using the new form also by March 31, 2021. The deadline for tax return filing is postponed until the end of March 2021 even for non-annual tax periods, while non-annual period for which this exception is set begins no earlier than January 1, 2020 and ends no later than February 28, 2021. Even in such cases, the taxpayer will only submit the new tax return form.

Disclaimer

Please note that our publications have been prepared for general guidance on the matter and do not represent a customized professional advice. Furthermore, because the legislation is changing continuously, some of the information may have been modified after the publication has been released. Accace does not take any responsibility and is not liable for any potential risks or damages caused by taking actions based on the information provided herein.

Want more news like this?

Subscribe!

Contact

Barbora Juhásová

Senior Tax Consultant

E-Mail: Barbora.Juhasova@accace.com

Tel: +421 232 553 000



About Accace Slovakia

Accace was established in 2006 in Bratislava. Accace Slovakia currently employs more than 120 professionals and provides a comprehensive range of services in the field of accounting outsourcing services, payroll processing and HR administration, tax and business advisory, legal and corporate services, up to advisory services for start-ups. In 15 years, we have developed into an innovative provider of full-range BPO services. We are regularly listed among the TOP 10 advisory companies in Slovakia. The legal services are provided by our own established law firm, Accace Legal. You can find us both in Bratislava and Košice. Within Accace Group, we connect more than 600 experts in 40 locations and provide services to more than 2,000 clients.

About Accace Circle

Accace operates internationally as Accace Circle, a co-created business community of like-minded BPO providers and advisors who deliver outstanding services with elevated customer experience. Covering almost 40 jurisdictions with over 2,000 professionals, we support more than 10,000 customers, mostly mid-size and international Fortune 500 companies from various sectors, and process at least 170,000 pay slips globally.

Please visit www.accace.com and www.circle.accace.com for more information.

