

News Flash

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DAC7: Rules for digital platforms operators in Slovakia entered into force

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On January 1, 2023, the Slovak republic implemented a European Directive 2021/514, known as DAC7 by Act no. 250/2022 Coll. amending Act no. 442/2012 Coll. on international assistance and cooperation in tax administration. You can find more detailed information on DAC7 rules in our [News Flash](#).

In this article, we would like to guide you through some of **the most important deadlines for companies** arising from these changes.

Obligations for digital platforms operators

A year of 2023 is considered as the first reportable period. All subjects who operate digital platforms that allow sellers to connect with the buyers and qualify as reporting platform operators will have a reporting obligation. **By January 31 of the year immediately following the reportable period, they will be obliged to report Slovak Financial Administration all required information about sellers qualified as reportable, i.e., for 2023, all required information shall be reported by January 31, 2024.** The form of an electronic notification will be published on website of the Financial Administration of the Slovak republic (*note: the form hasn't been published by today*).

The platform operator will also be obliged to **provide the reported information to the seller** qualified as reportable to whom it relates and within the same period.

Notification of the member state selection

If the reporting platform operator is present in several member states (e.g., the operator has an establishment outside the country of his/her residence), an obligation to notify which member state he/she has chosen for reporting under DAC7 rules is arising in such countries. In Slovakia, the period is **within 15 days from the day when the subject becomes the reporting platform operator.**

A form of an electronic notification shall be used for reporting. Currently available in **Slovak language** as [Oznámenie o výbere členského štátu pre DAC7/DPI](#) is published on the website of the Financial Administration of the Slovak republic.

Registration of the platform operator established outside the European Union

If the reporting platform operator is located outside of the European Union and is not qualified platform operator of a qualified non-member state, he/she is a subject to a special registration obligation. If such operator is planning on registration in the Slovak republic, he/she must electronically register on Tax Office Bratislava **immediately after the start of the activities of the platform operator.**

For such event, the form [Žiadosť o registráciu, oznámenie zmeny údajov, žiadosť o zrušenie registrácie DAC7/DPI](#) is available both in Slovak and English language on the website of the Financial Administration of the Slovak republic.

Obligation to verify the seller

The reporting platform operator is obliged to verify the sellers within the extent stipulated by the law. This verification must be done **by December 31 of the respective reportable period.** In case of the sellers registered on the platform before January 1, 2023, the verification can be done within longer period, i.e., by December 31, 2024.

Cooperation of the seller

The seller is obliged to cooperate with the reporting platform operator during the verification process. **If the seller doesn't provide the required information even after repeated two calls from the operator, he is at risk of the platform operator cancelling his/her account and preventing him from registering on the platform.** It is operator's duty to act in such way.

Our recommendations

The digital platform operators should set their internal systems and contractual relationships with sellers in such manner they are able to collect the required data and comply with DAC7 obligations.

In the Slovak Republic, failure to report the required information about sellers to the tax administrator and failure to verify the seller is punishable by a penalty of up to EUR 10,000, failure to notify the member state selection obligation of up to EUR 3,000, and failure to fulfil the above-mentioned registration obligation of up to EUR 5,000. The fine may be imposed repeatedly.

If unclear situations or questions during your implementation of the DAC7 obligations arise, do not hesitate to contact us. We will be happy to assist you.

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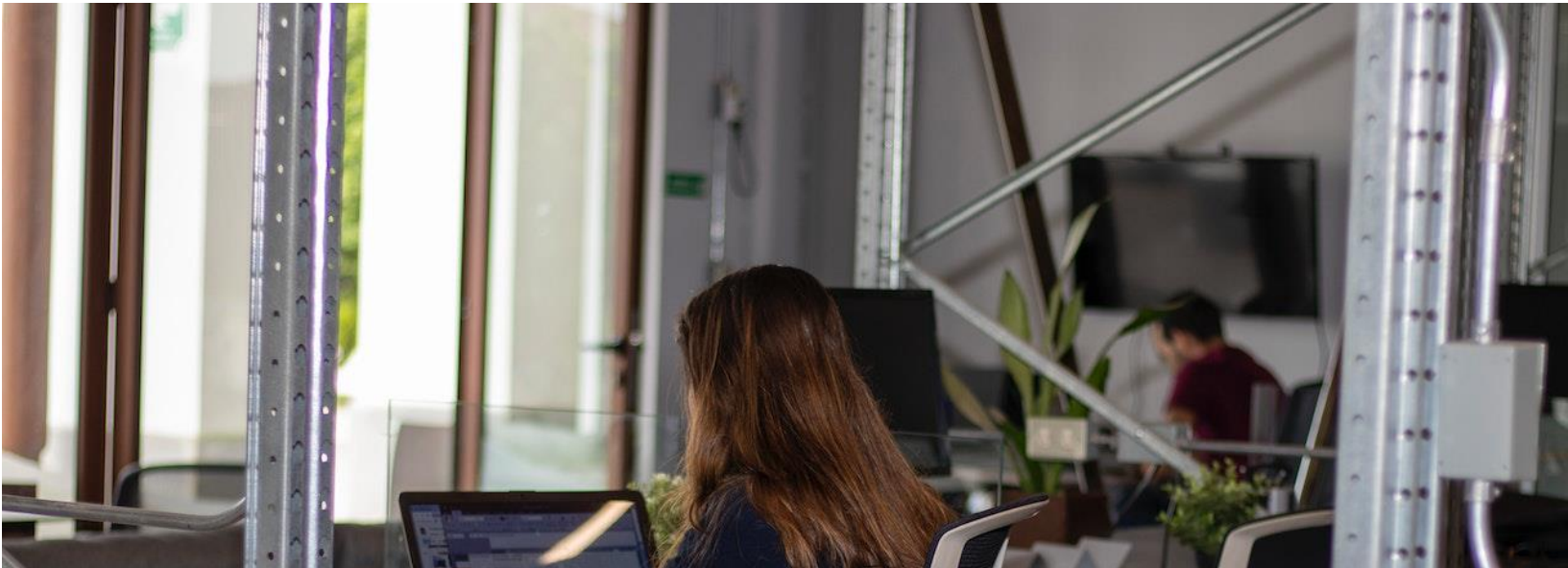
Contact

Katarína Balogová

Tax Director

E-Mail: katarina.balogova@accace.com

Tel: +421 232 553 000



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