

Slovenia Country Profile

EU Tax Centre

July 2015

Key tax factors for efficient cross-border business and investment involving Slovenia

EU Member State Yes

Double Tax Treaties With:

Albania	Egypt ^(a)	Kuwait	Serbia ^(b)
Armenia	Estonia	Latvia	Singapore
Austria	Finland	Lithuania	Slovakia
Azerbaijan	France	Luxembourg	Spain
Belarus	Georgia	Macedonia	Sweden
Belgium	Germany	Malta	Switzerland
Bosnia & Herzegovina	Greece	Moldova	Thailand
Bulgaria	Hungary	Montenegro ^(b)	Turkey
Canada	Iceland	Netherlands	UK
China	India	Norway	Ukraine
Croatia	Rep. of Ireland	Poland	UAE
Cyprus	Israel	Portugal	US
Czech Rep.	Italy	Qatar	Uzbekistan
Denmark	Rep. of Korea	Romania	
	Kosovo	Russia	

Notes: (a) Treaty signed but not yet in force;
(b) Treaty signed with former Serbia and Montenegro applies.

Forms of doing business Limited liability company and joint-stock company, also limited and general partnerships.

Legal entity capital requirements Share capital: EUR 7,500 for limited liability company and EUR 25,000 for joint stock company.

Residence and tax system Legal entities having their legal seat or place of effective management in the territory of Slovenia are residents for income tax purposes.

Resident companies are taxed on their worldwide income. Non-resident



companies are taxed on their Slovenian source income only.

Compliance requirements for CIT purposes

Fiscal year can equal or deviate from the calendar year. In general, submission to tax authorities within 3 months after the end of the fiscal year.

Tax rate

The standard corporate income tax rate is 17 percent.

Withholding tax rates

On dividends paid to non-resident companies

15 percent or exemption

On interest paid to non-resident companies

15 percent or exemption

On patent royalties and certain copyright royalties paid to non-resident companies

15 percent

On fees for technical services

No, unless services paid to a company located in tax haven and such country is listed on a "black list" published by the Ministry of Finance in Slovenia.

On other payments

See above.

Branch withholding taxes

See above.

Holding rules

Dividend received from resident/non-resident subsidiaries

Exemption. No participation requirement or minimum holding period is required. Exemption does not apply where the dividend paying company is resident in a non-EU jurisdiction where the general or average nominal tax rate is lower than 12.5 percent and which is included on a "black list" published by the Ministry of Finance.

Capital gains obtained from resident/non-resident subsidiaries

50 percent exempt if certain conditions are met:

- Participation requirement: 8 percent;
- Minimum holding period: 6 months;
- At least one employee employed on a full-time basis in the period concerned;
- The participation should not be held in a company that is resident in a non-EU jurisdiction where the general or average nominal tax rate is lower than 12.5 percent and which is included on a "black list" published by the Ministry of Finance.



Tax losses	<p>Tax loss may be carried forward without limit and may be utilized up to the amount equal to 50% of the positive taxable basis.</p> <p>No carry back of losses.</p>
Tax consolidation rules/Group relief rules	No
Registration duties	No
Transfer duties	<p>On the transfer of shares</p> <p>No</p> <p>On the transfer of land and buildings</p> <p>2 percent Real Estate Transfer Tax</p> <p>Stamp duties</p> <p>No</p> <p>Real estate taxes</p> <p>A rate of 0.75 percent is prescribed for business premises/buildings whereby the tax base is determined by The Surveying and Mapping Authority. This is subject to political discussion.</p>
Controlled Foreign Company rules	No
Transfer pricing rules	<p>General transfer pricing rules</p> <p>Yes</p> <p>Documentation requirement</p> <p>Yes</p>
Thin capitalization rules	Yes, the debt-to-equity ratio is 4:1.
General Anti-Avoidance rules (GAAR)	Yes
Specific Anti-Avoidance rules/Anti Treaty Shopping Provisions	Principle "substance over form" - Tax Procedure Act



Advance Ruling system	Binding ruling may be obtained in some cases.
IP / R&D incentives	Yes
Other incentives	40 percent investment incentive on intangible assets and equipment (except for office equipment and furniture)
VAT	The standard rate is 22 percent, and the reduced rate is 9.5 percent.
Other relevant points of attention	No

Source: Slovenian tax law and local tax administration guidelines, updated 2015.



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