

# Slovak Republic

## Transfer Pricing Country Profile<sup>1</sup>

May 2025

		SUMMARY	REFERENCE
The Arm's Length Principle			
1	Does your domestic transfer pricing framework <sup>2</sup> make reference to the arm's length principle?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<a href="#">Income Tax Act</a> , Article 17, para 5 and Article 18, para 1
2	Does your domestic transfer pricing framework give the OECD Transfer Pricing Guidelines any role or status (e.g. legal binding effect, subsidiary application in the absence of domestic legislation, source of interpretation of domestic legislation and/or treaty provisions, other)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  The methodology included in the OECD Transfer Pricing Guidelines is referred to in the Income Tax Act as a source of interpretation.	<a href="#">Income Tax Act</a> , Article 18, para 1
3	Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<a href="#">Income Tax Act</a> , Article 2

<sup>1</sup> Information in transfer pricing country profiles is provided directly by jurisdictions. By publishing the transfer pricing country profiles on the OECD website, the OECD does not certify the accurateness of the information provided therein. Importantly, transfer pricing country profiles published on the OECD website are made available to stakeholders for information purposes only, and are not intended to be used in substitution to a jurisdiction's legal instruments, jurisprudence, or administrative guidance or practice nor relied on as an accurate and complete description of domestic law.

<sup>2</sup> For purposes of transfer pricing country profiles, the term "domestic transfer pricing framework" refers to a jurisdiction's domestic legislation, regulations, administrative guidance or practice, jurisprudence or governing general principles in the jurisdiction.

	<p><b>pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.</b></p>	<p>Article 2 of the Income Tax Act defines related parties as follows:<sup>3</sup></p> <p><i>n) ‘associated person’ shall mean:</i></p> <ol style="list-style-type: none"> <li><i>1. a close person,</i></li> <li><i>2. a person or entity with economic, personal or other ties,</i></li> <li><i>3. a person or entity which is part of a consolidated whole for purposes of consolidation</i></li> </ol> <p><i>o) ‘economic ties or personal ties’ shall mean a person’s or entity’s participation in the assets, control or management of other person or entity or mutual relation between persons or entities being under control or management of the same person, a person close to such person or entity, or in which such person, a person close to such person or entity has a direct ownership interest or indirect ownership interest; participation in:</i></p> <ol style="list-style-type: none"> <li><i>1. the assets or control shall mean a direct interest, indirect interest or indirect derived interest amounting to at least 25 % of the registered capital, a direct interest, indirect interest or indirect derived interest amounting to at least 25 % of voting rights or an interest amounting to at least 25 % of profit; indirect interest shall be calculated as the product of the percentage of direct interests divided by one hundred and the result calculated in this way shall be multiplied by one hundred and the indirect derived interest shall be calculated as a total of indirect interests; the indirect derived interest shall only be used to calculate the amount of participation of one person or entity in the assets or control of another person or entity where such one person or entity has participation in the assets or control of multiple persons or entities, each of which has participation in the assets or control of the same other person or entity; if the indirect derived interest exceeds 50% and more, all the persons or entities used to calculate its amount shall be deemed to have economic ties regardless of the actual amount of their interests; for the purpose of this point, the person or entity acting jointly with another person or entity as regards voting rights or interest in the registered capital shall be considered a person or entity having participation in all voting rights or owning the interest in the registered capital held by such other person or entity; for the purposes of the calculation of direct interest, indirect interest or indirect derived interest in the registered capital, the interests of close persons shall be added up and if their total exceeds 25%, the respective persons or subjects shall be considered economically connected;</i></li> </ol>	
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<sup>3</sup> Legislative text appearing in English language in this transfer pricing country profile is an unofficial translation of the Slovak original. In case of any discrepancy, the Slovak original text shall prevail.

		<p>2. management shall mean the relationship between members of statutory bodies, supervisory bodies or other similar bodies of a legal person or entity and this legal person or entity,</p> <p>p) 'other ties' shall mean a legal relationship or other similar relationship created in particular for the purpose of tax base reduction or tax loss increase,</p> <p>r) the relationship between the taxpayer with unlimited tax liability and their permanent establishments abroad, as well as the relationship between the taxpayer with limited tax liability and their permanent establishment in the territory of the Slovak Republic, the mutual relationship between permanent establishments of the same person and the relationship between permanent establishments of taxpayers with mutual ties pursuant to Paragraph (n) and the mutual relationship between these permanent establishments and these taxpayers shall be assessed in the same way.</p>	
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### Transfer Pricing Methods

4	<p><b>Does your domestic transfer pricing framework provide for transfer pricing methods to be used in respect of transactions between related parties?</b></p>	<div><div><input checked="" type="checkbox"/> Yes</div><div><input type="checkbox"/> No</div></div> <p>If affirmative, please check those provided for in your legislation:</p> <table><tr><th>CUP</th><th>Resale Price</th><th>Cost Plus</th><th>TNMM</th><th>Profit Split</th><th>Other (<i>If so, please describe</i>)</th></tr><tr><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr></table>	CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other ( <i>If so, please describe</i> )	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p><u>Income Tax Act</u>, Article 18</p>
CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other ( <i>If so, please describe</i> )										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
		<p>Article 18 of the Income Tax Act provides for the use of the five methods recognized by the OECD Transfer Pricing Guidelines, or a combination thereof, or a use of another method provided it is in compliance with the arm’s length principle. Article 18 para 2 and 3 provide for a brief description how the methods should be used, as follows:</p> <p>In accordance with Article 18 para 1, in determining the method of determination of prices and conditions for the purposes of Article 17 section 5, which would be used between independent persons in comparable transactions, the method pursuant to Section 2 or Section 3 or their mutual combination shall be used, or other methods that are not mentioned in Sections 2 and 3. Only such method may be used whose use is in compliance with the arm’s length principle.</p>													

		<p>(2) The methods, which are based on price comparison, include:</p> <p>a) the method of arm's length price, in which the price of transfer of property or service agreed between associated persons and the comparable arm's length price are compared; if there is a difference between these prices, the price agreed between associated persons shall be replaced by the arm's length price,</p> <p>b) the resale method, in which the price of the transfer of the property purchased by an associated and resold to an independent person is converted into the arm's length price, by reducing it by a usual amount of gross trade margin of comparable independent sellers,</p> <p>c) the cost-plus method, in which the arm's length price is calculated from real direct and indirect costs of the property or service transferred between associated persons increased by a gross mark-up applied by the same supplier in relation to independent persons or by the gross mark-up which would have been applied by an independent person in a comparable transaction under comparable conditions.</p> <p>(3) The methods, which are based on profit comparison, include:</p> <p>a) the profit split method, which is based on the splitting of the profit of associated persons, consistently with profits that would be applied by independent persons in joint business while observing the arm's length principle,</p> <p>b) the transactional net margin method ascertains the amount of net profit margin from a business or financial relation between associated persons in relation to costs, revenues or other bases, by comparison with the net profit margin used by independent persons.</p>	
5	<p><b>Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?</b></p>	<p>Please check all that apply:</p> <p><input type="checkbox"/> Hierarchy of methods</p> <p><input checked="" type="checkbox"/> Most appropriate method</p> <p><input type="checkbox"/> Other</p>	
		The use of methods is in line with the OECD Transfer Pricing Guidelines.	

6	Does your domestic transfer pricing framework contain specific guidance on commodity transactions?	<input type="checkbox"/> Yes <input type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed. <input type="checkbox"/> Domestic transfer pricing framework provides for the use of a specific method for controlled transactions involving commodities <input checked="" type="checkbox"/> No	
		The OECD Transfer Pricing Guidelines should be followed.	
Comparability Analysis			
7	Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Is there a preference in your jurisdiction for domestic comparables over foreign comparables?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		There is a preference to use domestic comparables as long as the other comparability factors are satisfied. However, there is no specific methodology provided by legislation or administrative guidance.	
9	Does your domestic transfer pricing framework permit the use of secret comparables for transfer pricing assessment purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10	Does your domestic transfer pricing framework allow or require the use of an arm's length range and/or statistical measure (e.g. the interquartile range or other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<a href="#">Income Tax Act</a> , Article 18 para 1
		There is no specification regarding statistical measures, with one exception: if the price/result of the taxpayer is found within a tax audit to be outside the arm's length range (the range itself is not specified statistically), then the tax base of the taxpayer	

	<b>percentiles) for determining arm's length remuneration?</b>	shall be adjusted to the median value, unless the taxpayer demonstrates that another value is appropriate.	
11	<b>Are comparability adjustments required under your domestic transfer pricing framework?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <p>The OECD Transfer Pricing Guidelines should be followed.</p> <p>Comparability adjustments are covered in the domestic legislation – Income tax Act, Article 18, para 1:</p> <p>“The difference referred to in Section 17 subsection 5 above shall be determined using any of the methods pursuant to subsection 2 or 3 or their mutual combination or, as appropriate, other methods, which are not described in subsections 2 or 3 below. Only such methods may be used, the use of which complies with the arm's length principle. The arm's length principle is based on comparison of the terms which were agreed in transactions between related parties and the terms which would have been agreed between unrelated parties in similar transactions in comparable circumstances.</p> <p>The review of comparability of the terms is made by confronting in particular the businesses conducted by the parties, including, but not limited to, their production, assembly works, research and development, purchase and sale, the scope of their business risks, the characteristics of the compared property or the service, the terms agreed between the parties to the transaction, the economic environment in the marketplace, and the business strategy. The terms shall be considered comparable if there is no material difference between them or if such difference can be eliminated.”</p>	<a href="#">Income Tax Act</a> , Article 18 para 1
<b>Intangible Property</b>			
12	<b>Does your domestic transfer pricing framework contain guidance specific to the pricing of controlled transactions involving intangibles?</b>	<input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VI of the TPG? <input type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below)  <input checked="" type="checkbox"/> No	

		The OECD Transfer Pricing Guidelines should be followed.	
13	Are there any other rules outside your transfer pricing framework that are relevant for the pricing of controlled transactions involving intangibles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Hard-to-Value Intangibles			
14	Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)? <sup>4</sup>	<input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No	
		The OECD Transfer Pricing Guidelines should be followed, including the approach to HTVI.	
Intra-group Services			
23	Does your domestic transfer pricing framework provide guidance specific to intra-group services transactions?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VII of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No	<a href="#">Income Tax Act</a> , Article 17, section 5, letter b)
		The Slovak Republic applies general TP rules and follows the OECD Transfer Pricing Guidelines except for the approach mentioned in the TPG, Section D.2.: Simplified determination of arm's length charges for low value adding intra-group services, which has not been adopted.	

<sup>4</sup> In the case of jurisdictions that do not apply the HTVI approach (i.e. they responded “no” to question 14), it is not necessary to respond to the remaining questions in the HTVI section and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

		<p>Article 17, section 5, letter b) of the Income Tax Act provides:</p> <p><i>In determining the tax base of an associated person, the taxpayer may include in the tax expenditures the commensurate part of expenditures (costs) incurred by another person, to which it is an associated person if:</i></p> <p><i>a) these expenditures (costs) are provably related to the subject of activity of this associated person,</i></p> <p><i>b) it would be willing to pay for these expenses in comparable circumstances and conditions of the transaction in the case where they provided by an independent person or it would perform the activity itself,</i></p> <p><i>c) it proves the total amount of the expenditures (costs) related to or spent on this transaction and the way of their division among the persons receiving benefit from this transaction,</i></p> <p><i>d) this commensurate part of expenses is recorded in the accounting records of the taxpayer or is included in the records of the taxpayer in accordance with Article 6 section 11.</i></p>	
24	<p><b>Does your domestic transfer pricing framework provide for or allow the application of a simplified approach for low value-adding intra-group services?</b></p>	<p><input type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No (please provide further explanations below)</p> <p><input checked="" type="checkbox"/> No</p>	
25	<p><b>Are there any other rules outside your transfer pricing framework for pricing intragroup services?</b></p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>	



Financial Transactions			
26	Does your domestic transfer pricing framework provide guidance specific to financial transactions?	<input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter X of the TPG? <input type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input checked="" type="checkbox"/> No	
		The OECD Transfer Pricing Guidelines should be followed.	
27	Are there any other rules outside your transfer pricing framework that are relevant for the tax treatment of financial transactions? (e.g. whether your jurisdiction has implemented the measures in BEPS Action 4 to limit interest deductions and other financial payments or any similar rules)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The deduction of related party interest is limited to 25% of EBITDA. As of 1 January 2024, the interest expense limitation according to the EU ATAD has taken effect.	<a href="#">Income tax Act</a> , Article 21a  <a href="#">Income tax Act</a> , Article 17k
Cost Contribution Arrangements			
28	Does your jurisdiction allow cost contribution arrangements?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VIII of the TPG? <input type="checkbox"/> No	
		There is no specific guidance. The OECD Transfer Pricing Guidelines should be followed.	

## Transfer Pricing Documentation

29	<p><b>Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation?</b></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><i>If affirmative, please check all that apply:</i></p> <p><input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG</p> <p><input checked="" type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return)</p> <p><input type="checkbox"/> Other (specify):</p>	<p><a href="#">Guidance of the Ministry of finance of the Slovak republic MF/020061/2022-724</a> on determining the content of documentation according to <a href="#">Income Tax Act Article 17</a> section 7 and <a href="#">Income Tax Act Article 18</a> section 1</p>
30	<p><b>Please briefly explain the relevant requirements related to each transfer pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.)</b></p>	<p>The taxpayer shall submit transfer pricing documentation within 15 days from delivery of the tax administration's request; such request may be, for the documentation for the relevant tax period, sent no earlier than on the first day following expiry of the period for tax return filing for that tax period. The taxpayer may submit the documentation in a language other than Slovak, the tax administration may request a Slovak translation, which has to be submitted within 15 days.</p> <p>Consistent with Chapter V of the TPG, CbCR must be filed by Ultimate Parent Entities resident in the Slovak Republic whose consolidated group revenue exceeds EUR 750 million.</p> <p>Full transfer pricing documentation consistent with Annexes I and II to Chapter V of the TPG must be kept by the largest taxpayers and for the largest transactions.</p> <p>Basic documentation (less extensive compared to "full" documentation) must be kept by middle-sized taxpayers and transactions.</p> <p>For the smallest taxpayers and low-volume transactions, a "simplified" documentation (prescribed form) is applicable.</p> <p>Certain low-volume / low-risk transactions are exempt from documentation altogether.</p>	<p><a href="#">Income Tax Act Article, 18</a> para 11</p> <p><a href="#">Act No. 442/2012 Coll. on International Assistance and Cooperation in the Field of Taxation</a>, Articles 22a to 22g</p> <p><a href="#">Guidance of the Ministry of finance of the Slovak republic MF/020061/2022-724</a> on determining the content of documentation according to <a href="#">Income Tax Act Article 17</a> section 7 and <a href="#">Income Tax Act Article 18</a> section 1</p>

31	Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  There are no penalties specific to transfer pricing. Generally, a penalty from EUR 30 up to EUR 3,000 for the administrative offence for failure to comply with any of the obligations of non-financial nature applies.	<a href="#">Tax Administration Act</a> , Article 154 para 1 letter j)
32	Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Certain low-volume / low-risk transactions are exempt from documentation.	<a href="#">Guidance of the Ministry of finance of the Slovak republic MF/020061/2022-724</a> on determining the content of documentation according to <a href="#">Income Tax Act Article 17</a> section 7 and <a href="#">Income Tax Act Article 18</a> section 1
<b>Administrative Approaches to Avoiding and Resolving Disputes</b>			
33	Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?	Please check those that apply: <input checked="" type="checkbox"/> Rulings <input type="checkbox"/> Enhanced engagement or cooperative compliance programmes <input checked="" type="checkbox"/> Advance Pricing Agreements (APA) <input checked="" type="checkbox"/> Unilateral APAs <input checked="" type="checkbox"/> Bilateral APAs <input checked="" type="checkbox"/> Multilateral APAs <input type="checkbox"/> International Compliance Assurance Programme (ICAP) <input checked="" type="checkbox"/> Mutual Agreement Procedures <input checked="" type="checkbox"/> Other ( <i>please specify</i> ): European Trust and Cooperation Approach (“ETACA”) programme  APAs are specifically recognised under the Income Tax Act. Roll-back is allowed in case of bilateral/multilateral APAs. MAP regulations are in place (please see MAP Profile for further details).	<a href="#">Income Tax Act</a> , Article 18, para 4-10 <a href="#">Act on Dispute Resolution in respect of Taxation</a> <a href="#">Slovak Republic OECD MAP Profile</a>

## Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities

34	<b>Does your domestic transfer pricing framework allow the application of the simplified and streamlined approach for baseline marketing and distribution activities in the relevant Annex of Chapter IV of the TPG<sup>5</sup>?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other (please elaborate) The implementation of SSA is under discussion and currently being evaluated.	
37	<b>Does your jurisdiction respect the outcome of the application of the simplified and streamlined approach by a covered jurisdiction in line with the Inclusive Framework political commitment?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

## Safe Harbours and Other Simplification Measures

39	<b>Does your jurisdiction provide for any safe harbours or other simplification measures in respect of certain industries, types of taxpayers, or types of transactions (not listed in other sections of this questionnaire)?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Transactions with an effective value below 10 thousand EUR are outside the scope of transfer pricing rules. In the case of loans, the threshold is 50 thousand EUR and applies to the principal amount. General tax-related anti-avoidance rules are applicable.	<a href="#">Income Tax Act</a> , Article 17, para 1, letter a)
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## Other Legislative Aspects or Administrative Procedures

40	<b>Does your domestic transfer pricing framework allow downward corresponding adjustments in the absence of a mutual agreement procedure (e.g. unilateral corresponding adjustments)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  If there is a primary adjustment performed by the tax administration of another jurisdiction with which the Slovak Republic has a Double Taxation Agreement in	<a href="#">Income Tax Act</a> , Article 17 para 6
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<sup>5</sup> In the case of jurisdictions that do not apply the simplified and streamlined approach (i.e. they responded “no” to question 34), it is not necessary to respond to questions 35, 36 and 38 and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

		<p>place, then the corresponding adjustment may be allowed by the Slovak tax administration (opening of a Mutual Agreement Procedure is not necessary).</p> <p>For domestic transactions between local related parties, unilateral downward adjustment is possible, subject to a notification obligation.</p>	
41	Does your domestic transfer pricing framework allow or require taxpayers to make year-end adjustments?	<input type="checkbox"/> Yes. Year-end adjustments are required. <input checked="" type="checkbox"/> Yes. Year-end adjustments are allowed. <input type="checkbox"/> No	
42	Does your domestic transfer pricing framework provide for secondary adjustments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Attribution of Profits to Permanent Establishments			
43	Which version of Article 7 of the OECD Model Tax Convention on Income and on Capital do your tax treaties contain?	<input checked="" type="checkbox"/> Article 7 as it read before 2010. <div> <input checked="" type="checkbox"/> If so, please indicate in how many treaties:  All treaties signed by the Slovak Republic </div> <input type="checkbox"/> Article 7 as it reads after 2010. <div> <input type="checkbox"/> If so, please indicate in how many treaties:  <input type="checkbox"/> Other </div>	
44	For tax treaties containing Article 7 as it read before 2010, does your jurisdiction apply the authorized OECD approach (AOA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>The Slovak Republic has a Reservation to the 2010 version of Article 7 of the OECD Model Tax Convention (para 96 of the Commentary to the Model Tax Convention) and applies the pre-2010 Article 7 in its treaties. The Slovak Republic has not signed any DTA with the 2010 version of Article 7. Generally, the arm's length principle and the separate entity approach apply for PEs. Regarding notional transactions between an enterprise and its PE, Slovakia adheres to an interpretation whereby no</p>	

		<p>profit mark-up, or interest charges or royalties may be recognized in intra-entity dealings. Interest or royalties paid to another entity (within or outside the group) or its respective portion may be allocated to the PE.</p> <p>The OECD PE Report 2010 is applied only to the extent to which it is consistent with the above.</p>	
45	<p><b>Does your domestic transfer pricing framework contain specific guidance for the attribution of profits to permanent establishments of non-resident entities? If so, please provide a summary of the main features of this guidance.</b></p>	<p><input type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments</p> <p><input checked="" type="checkbox"/> Yes, they do not follow the AOA</p> <p><input type="checkbox"/> No</p> <p>The separate entity approach and the arm's length principle apply in the case of PEs. The method to determine the tax base of the PE should generally follow the methods recognized in the OECD transfer pricing guidelines. APA is available for the determination of the tax base of a PE.</p>	<p><a href="#">Income Tax Act</a>, Article 17 para 7</p>
<b>Other Relevant Information</b>			
46	<p><b>Other legislative aspects or administrative procedures regarding transfer pricing</b></p>	N/A	
47	<p><b>Other relevant information</b> (e.g. <i>whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire</i>)</p>	N/A	

For more information, please visit: <https://www.oecd.org/en/topics/sub-issues/transfer-pricing/transfer-pricing-country-profiles.html>