

Patent Box

The Patent Box is a new tool for the support of R&D in Slovakia. It exempts revenues generated by the provision of intangible assets (revenues from license fees) and revenues generated by the sale of products produced with the use of a patent or a utility model from corporate income tax up to 50% of such revenues.



What revenues are exempt from tax?

1. Revenues from the provision of intangible assets:
 - From inventions protected by a patent registered in the Slovak Republic and the EU which are the result of own R&D
 - From technical solutions protected by a utility model which are the result of own R&D
 - From software subject to copyright as a result of own development activity
2. Revenues from the sale of products produced with the use of a patented invention or a technical solution protected by a utility model that result from own R&D activity



How much can be saved?

1. 50% of revenues from the provision of intangible assets
2. 50% of revenues from the sale of products



Who can apply the tax relief?

- Legal entities subject to taxation in the Slovak Republic
- Foreign legal entities with a permanent establishment in the Slovak Republic, provided a functional connection between the intangible asset and the permanent establishment can be documented



When can the exemption be claimed?

- Only during the period of tax depreciation of the respective asset



What is the approval procedure?

- No application or approval is required – the taxable entity is entitled to the exemption once defined criteria are met
- The taxable entity applies the exemption in its tax return



What are the taxable entity's duties?

- Keeping separate records to be submitted to the tax authority within eight days of the receipt of a request to do so
- If a taxable entity claims an exemption, it must claim the exemption in the following taxation periods in which it continues to include depreciation from intangible assets in its tax expenses

Contacts



Valéria Morťaniková
Partner | Tax
+421 917 627 421
vmortanikova@deloitteCE.com



Milan Šustek
Director | Tax
+421 911 556 577
msustek@deloitteCE.com