

Additional Deduction of R&D Expenses

We help businesses implement investment projects and seek opportunities for external funding. Our clients include large multinational companies and small and medium-sized enterprises. Our team of professionals dedicated to the support of industrial production, research and development is ready to help from offices in Bratislava, Košice and Žilina.

Each year, businesses are spending more on R&D. Use the opportunity of tax savings by deducting R&D expenses from your corporate income tax base (super-deduction). At the current rate, an additional deduction of 100% of annual R&D expenses from the tax base represents net savings of up to 24% of R&D expenses.



How much can be saved?

- 100% of eligible R&D expenses incurred in the respective taxation period can be deducted from the tax base
- In addition, the deduction can be increased by the average y/y increase in the R&D expenses



What expenses are deductible?

- Wages and salaries and R&D employees' other costs of employment
- Consumption of raw materials and energy
- Depreciation and amortization of non-current assets (to the extent they are used for R&D)
- Software licenses (software directly used during the implementation of R&D projects)
- Services and intangible R&D results from designated research institutions
- Certification of the R&D results



What is the approval procedure?

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



What are the taxable entity's duties?

- Preparation of a written R&D project
- Keeping separate records of R&D expenses



Can the entitlement to a deduction be carried forward to the next taxation period?

- Yes, the entitlement may be extended over five taxation periods

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