

Tax & Legal Alert

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Indirect taxes

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VAT deduction for M1 vehicles approved

On 1 December 2009, the Slovak Parliament approved an amendment to the VAT Act allowing a VAT deduction for the purchase or lease of passenger cars of M1 types, if all requirements under the VAT Act are met. This applies to passenger vehicles purchased or leased from 1 January 2010.

If signed by the President, the amendment will become effective from 1 January 2010

Amendment to the Slovak Customs Act

An amendment to the Customs Act dealing with determining the value of a customs debt became effective on 1 December 2009. It provides information on calculating the interest penalty.

A ten year statute of limitation applies to an underpayment of the customs debt as well as to any penalties and other unpaid amounts calculated and imposed according to the customs rules.

The law also sets out a follow-up inspection procedure related to an entity's obligations towards the customs authorities, and the obligations of the customs authorities themselves. The Customs Act includes a separate procedure if the entity fails to act during a follow-up inspection. If a follow-up inspection indicates that a customs debt should be imposed, a separate procedure to impose this customs debt has to start before the follow-up inspection is finished.

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Act on Renewable Energy Sources

As we already informed you, the Act on Support for Renewable Energy Sources and High-efficiency Combined Production of Electricity was adopted on 1 September 2009. The details are set out in a regulation that became effective as of 1 December 2009. Areas covered include:

- keeping records on biomass used for electricity production, and related reporting;
- confirming biomethane production;
- calculating the amount of electricity produced from biomethane;
- setting out the requirements for the quality of biomass used for electricity production; and calculating the additional payment for the purpose of the Act on Renewable Sources.

Export of waste

The European Commission announced that the rules related to the export of specific waste to certain countries for recovery have been modified as of November 2009, mainly in regard to a request by some countries that they be notified in writing before such waste is transported to their countries, and that their consent to this transport be obtained. These countries are: the Ukraine, Montenegro, Serbia, Hong Kong, Indonesia, Singapore, and Nepal.

Extensive amendments to various Acts on excise taxes

In connection with the obligation to implement an electronic system for checking goods under the customs duty suspension regime, the Acts related to goods such as beer, wine, spirits, tobacco, and mineral oils have been amended. The main changes relate to the following:

- introducing an electronic form of accompanying administrative documents;
- specifying the procedure that applies to cases when an electronic system is not available;
- determining the tax point;
- releasing a guarantee;
- determining the new status of a registered consignor; and
- filing and verifying electronic documents.

Other provisions of the Act on Excise Tax on Spirits and Wine have also been amended. Most of these changes will be effective as of 1 April 2010.

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