



# Consolidation of public finances



# Consolidation package

**The Ministry of Finance of the Slovak Republic (MF SR) has presented another package of consolidation measures for 2026. This is the third consolidation of public finances.**



The law was approved by the Parliament of the Slovak Republic on 24 September 2025, signed by the President on 8 October 2025 and published on **9 October 2025**.



The total amount of consolidation for 2026 is **€2.7 billion** and includes 22 measures.



In the case of taxes and levies, the amount of consolidation is **€1.2 billion**.

# Corporate Income Tax

## New minimum tax liability for the largest companies

Taxable income	Minimum tax	Change
Up to €50 thousand	340 €	No change
Up to €250 thousand	960 €	No change
Up to €500 thousand	1 920 €	No change
Up to €5 million	3 840 €	No change
<b>Over €5 million</b>	<b>11 520 €</b>	<b>Currently €3,840</b>

**Increase in the rate of the special levy for collective investment (regulated entities with the main business activity of the creation and administration of pension funds for the implementation of old-age pension savings)**

**4,365 %**

Current rate

**15 %**

New rate

# Personal Income Tax

## New rates for progressive taxation

Tax rate in 2025	Tax rate in 2026
<b>19%</b> of the part of the tax base that does not exceed 176.8 times the amount of the effective subsistence minimum ( <b>approx. 50 thousand</b> )	<b>19%</b> of the part of the tax base that does not exceed 154.8 times the amount of the effective subsistence minimum ( <b>approx. 44 thousand</b> )
<b>25%</b> of the part of the tax base that exceeds 176.8 times the effective subsistence minimum	<b>25%</b> of the part of the tax base that exceeds 154.8 times the amount of the effective subsistence minimum and does not exceed 212.4 times the amount of the effective subsistence minimum
	<b>30%</b> of the part of the tax base that exceeds 212.4 times the amount of the effective subsistence minimum ( <b>approx. 60 thousand</b> ) and does not exceed 264 times the amount of the effective subsistence minimum
	<b>35%</b> of the part of the tax base that exceeds 264 times the amount of the effective subsistence tax ( <b>approx. 75 thousand</b> )

**At the same time, the parameters of reducing the non-taxable part of the tax base per taxpayer and the non-taxable part of the tax base per spouse are adjusted at higher levels of the tax base**

# Social insurance contributions

Payer of contribution	Rate until 31/12/2025		Rate from 01/01/2026 to 31/12/2027		Rate from 1.1.2028	
	without health disability	with health disability	without health disability	with health disability	without health disability	with health disability
<b>employee</b>	4%	2%	5%	2,5%	5%	2,5%
<b>employer</b>	11%	5,5%	11%	5,5%	10%	5%
<b>Self-employed</b>	15%	7,5%	16%	8%	15%	7,5%
<b>Self-payer</b>	15%	7,5%	16%	8%	15%	7,5%

## Shortening of contribution holidays for self-employed persons and increase of the assessment base

Until now, a new self-employed person has not paid social insurance contributions until 3 months after filing the tax return, theoretically up to 21 months (even if the minimum threshold of business income was exceeded)

From 2026 liability to pay social insurance contributions occurs from the 1st day of the 6th calendar month after obtaining the authorisation for the business activity

The minimum base for the social insurance contribution is increased from 50% to 60% of the average wage in the national economy in the period 2 previous years

New obligation to pay social insurance contribution from income earned in certain periods (e.g. during sick leave, maternity leave, nursing leave)

# Limitation of VAT deduction for vehicles

## Limiting the deduction for cars to 50%

When using the vehicle only for business, the possibility of 100% VAT deduction remains.

The measure limits the possibility of VAT deduction to 50% if it is simultaneously used **for purposes other than just business.**



## It concerns:

- motor vehicles of category M1, L1e or L3e purchased after 1.1.2026 or leased to a business entity
- costs of their operation, maintenance, servicing, fuel, repairs and spare parts

## It does not apply to:

- passenger motor vehicles acquired and used by the payer for rental, transport of persons and their luggage for consideration, including taxi services, operation of a driving school or as a demonstration or test passenger car
- passenger motor vehicles that the taxpayer **has acquired or uses exclusively for business**, if the taxpayer keeps detailed records and notifies the tax administrator of this fact



VAT, which the VAT-payer cannot deduct due to the above limitations, **is not treated as tax-deductible expense for the CIT purposes.**

# Negative externalities

**Adjustment of VAT on selected foods with increased sugar and salt content from 19% to 23%**

## Applies to:

Sweets/confectionery (chocolates, cookies, candies, candied fruit...)

Ice cream

Jam

Sweetened soft drinks (soft drinks, syrups, energy drinks)

## Not applicable to:

Sugar and salt (as raw material)

Baby food, baby meals

Milk drinks and yoghurts

100% juices

DIA foods



# Negative externalities

## Increase in gambling taxation

### Increase in the levy for online games

**27 %** → **30 %**



Increase in effective taxation of brick-and-mortar establishments from 14.3% (casinos) and 16.9% (gambling establishments) to government-approved %.



Taxation of bank fees for card deposits in gambling.

# Negative externalities

## Changes in mining legislation



**Introduction of charge from the extracted primary raw materials**

### It concerns:

- gravel, sand, stone, gravel sand.
- only new mining (support for the recycling of building materials).

**Rate 1.35 €/t**

# Insurance tax



**Increase in the insurance tax rate**

**8 %** → **10 %**

Non-life insurance



# Other changes

## Tax amnesty – Tax pardon

Remission of fines and penalty interest for unpaid or undeclared taxes against tax and customs authorities.

The taxpayer must pay the tax in the period from 1.1.2026 to 30.6.2026 or additionally declare the tax in the tax return.

It applies to income tax, VAT, excise taxes, motor vehicle tax, insurance tax.

It does not apply to tax advances, tax instalments, special levy on business in regulated industries, solidarity contribution, local taxes and fees.

## Relating to wage compensation, unemployment benefit and maternity compensation.

Extension of the period in which the employer pays wage compensation during sick leave from 10 to 14 days.

Gradual reduction of unemployment benefit from 4. until 6. month by -10%.

Change in taking into account the period of care for a child in retirement (consolidation only in the first 3 years).

## Updated Definition of Dependent Work in the Labour Code.

Dependent work represents an activity performed within a relationship where the employer is the superior and the employee is the subordinate, whereby the employee works personally for the employer according to the employer's instructions and on the employer's behalf.

\*The words “during working hours determined by the employer” will be removed as of 1 January 2026.

# Do not hesitate to contact us



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