

# TAXparency® Report by BMB Partners

## Who finances the state?

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**Eva Kusá**

**9 November 2023**

## Data

### 2022 FINSTAT Top 200 non-financial sector

- biggest **non-financial companies** in Slovakia

### Revenues

**EUR 96,130 mil.**  
**(+15.84%)**

### 2022 FINSTAT Top 100 financial sector

- biggest **financial companies** in Slovakia

**EUR 5,942 mil.**  
**(+1.05%)**

### TOTAL

**EUR 102,072 mil.**  
**(+14.87%)**

**2022 FINSTAT Top 200 non-financial sector**

- Corporate income tax
- Corporate income tax without solidarity contribution
- Payroll tax
- Social + health insurance contributions

**Tax****EUR 1,904 mil. (+47.31%)\*****EUR 1,384 mil. (+7%)****EUR 975 mil. (+2.12%)****EUR 3,098 mil. (+2.51%)**

*\*thereof solidarity contribution Slovnaft EUR 520 mil. (declared as uncertain tax position in the FS)*

**2022 FINSTAT Top 100 financial sector \***

- Corporate income tax
- Payroll tax
- Social + health insurance contributions

**EUR 322 mil. (+6.81%)****EUR 112 mil. (+4.95%)****EUR 329 mil. (+5.21%)****TOTAL****EUR 6,740 mil.**

***Increased tax burden on the bank sector is expected in the year to follow***

Source: <http://finstat.sk/> and gross calculations, amount of the solidarity contribution from FS under IFRS – Slovnaft as at 31/12/2022

## Germany is a strong and stable foreign investor



- In 2022, German companies paid approx. EUR 567.18 mil. in tax, together with social and health insurance contributions as much as EUR 1.38 bln.
- Again, Germany took the first place among foreign investors in payment of taxes and social/health insurance, its share in TOP 300 is 20 %.
- If the solidarity contribution did not apply, Germany would have taken, as in the previous years, the first place in Slovakia with the share of paid taxes 17.12 %.
- However, Hungary reached suddenly 19 % in 2022.
- Close economic cooperation between Slovakia and Germany has a positive impact on the state budget, too.

Source: <http://finstat.sk/> and gross calculations

## Share of Hungary in tax revenues in TOP 300 as a result of the solidarity contribution

- Share of Hungarian companies **in tax revenues of TOP 300**: increase from 2 % in 2021 to 19% in 2022, **i.e. from EUR 64.63 mil. to EUR 644.81 mil.**
- **Solidarity contribution by Slovnaft EUR 520 mil.\***, oil refiner MOLL published in the press a contemplated lawsuit against the Slovak Republic for an extraordinary tax on profits.
- Council Regulation (EU) 2022/1854 of 6 October 2022
- **Temporary solidarity contribution for companies and permanent establishments in the EU with activities in the oil, gas, coal and refining sectors.**
- Basis for taxation: taxable profits realized in 2022 and/or 2023, over 20 % increase in the average for the previous 4 years.
- Rate in Slovakia for 2022: 55% (Regulation min. 33 %), in 2023 70 %.
- Direct taxes of companies of TOP 300: EUR 3.3 bln.

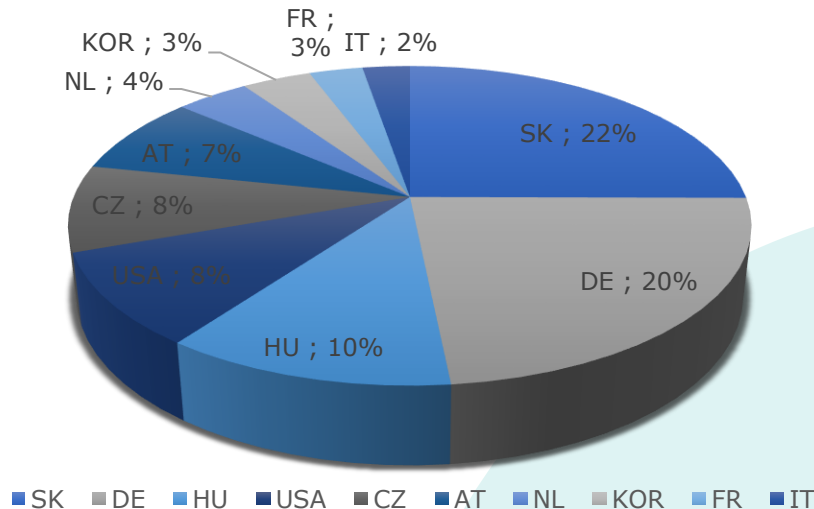
\* source: FS under IFRS Slovnaft as at 31/12/2022

Source: <http://finstat.sk/> and gross calculations



# TAXparency® by BMB Partners: TOP 10 payers of taxes and social/health insurance contributions by country in TOP 300

Share in taxes + social/health insurance in  
TOP 300\*

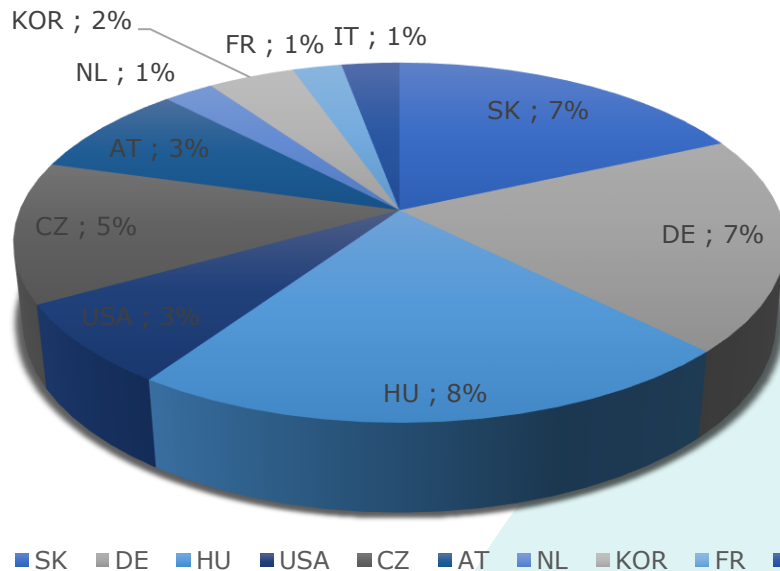


Source: <http://finstat.sk/>; gross calculations; manual search according to the Ultimate Parent Company seat concept

\*the remaining 13 %: other countries with individual shares under 2 %

## TAXparency® by BMB Partners: TOP 10 payers of taxes to the state budget

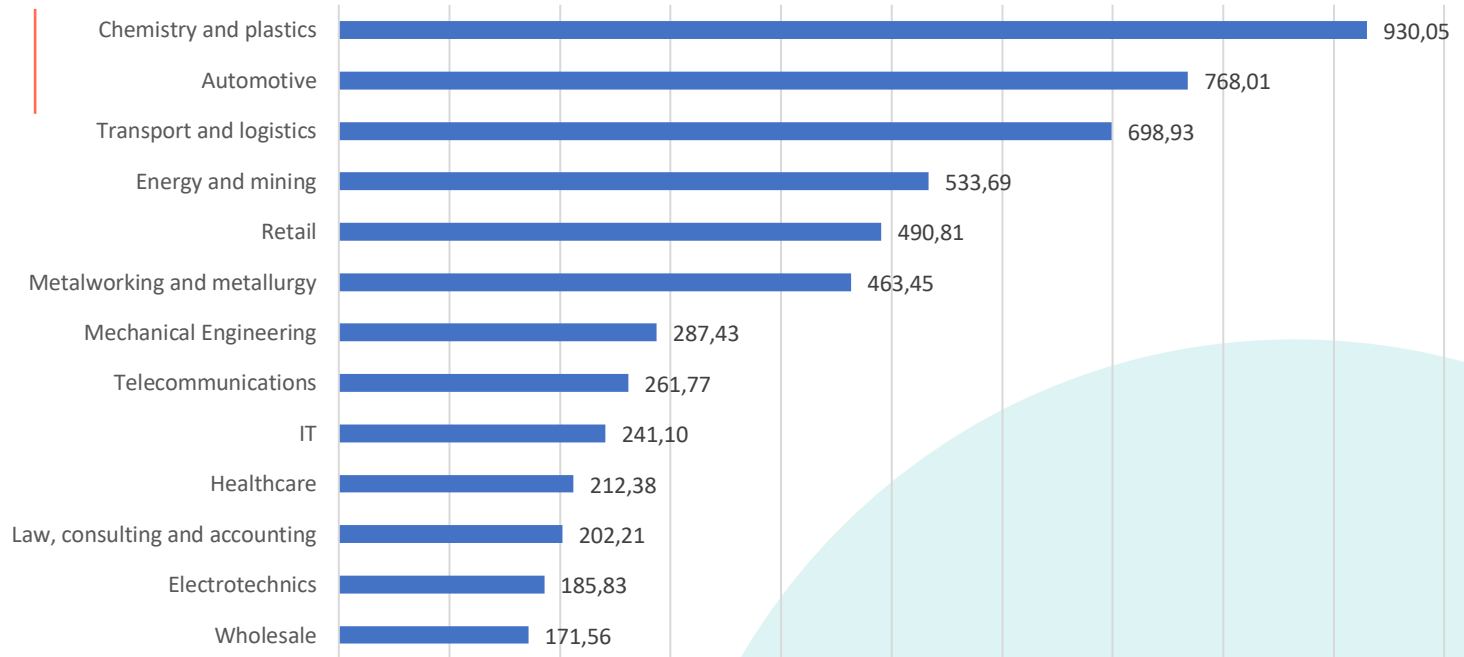
Share in the state budget\*



Source: <http://finstat.sk/>; gross calculations; manual search according to the Ultimate Parent Company seat concept

\*remaining 52 %: other countries with individual shares under 1%

## TAXparency® by BMB Partners: TOP industries in the payment of taxes and social/health insurance (EUR mil.)



Source: <http://finstat.sk/>; gross calculations; manual search according to the Ultimate Parent Company seat concept



## TOP 10 TAXpacency® non-financial companies

Top taxpayer	Company	Corporate income tax and payroll tax (EUR mil.)	Social + health insurance Employer + employees (mil. EUR)	Total (EUR mil.) 2022	Country	Total (EUR mil.) 2021	Difference (EUR mil.)
1	SLOVNAFT, a.s.	640.22 * less solidarity contribution 120.45	39.35	679.7 * less solidarity contribution 159.80	HU	100.67	578.90 * less solidarity contribution 59.13
2	VOLKSWAGEN SLOVAKIA, a.s.	99.55	148.56	248.10	DE	244.57	3.53
3	U. S. Steel Košice, s.r.o.	112.06	124.15	236.21	USA	308.72	-72.51
4	Kia Slovakia s. r. o.	84.32	53.96	138.28	KOR	120.13	18.15
5	Železnice Slovenskej republiky	22.16	110.88	133.04	SK	124.88	8.16

Source: TOP 50

## TOP 10 TAXpacency® non-financial companies

Top taxpayer	Company	Corporate income tax and payroll tax (EUR mil.)	Social + health insurance Employer + employees (mil. EUR)	Total (EUR mil). 2022	Country	Total (EUR mil.) 2021	Difference (EUR mil.)
6	eustream, a.s.	114.38	9.96	124.34	CZ	138.90	-14.56
7	Schaeffler Slovensko, s.r.o., Kysucké Nové Mesto a Skalica	27.35	89.10	116.45	DE	112.89	3.56
8	Slovak Telekom, a.s. konsolidované	67.63	44.36	111.99	DE	112.02	-0.03
9	Lidl Slovenská republika, v.o.s., Bratislava	49.64	47.25	96.88	DE	83.96	12.93
10	Continental Matador Rubber, s.r.o.	52.31	42.65	94.96	DE	81.36	13.60

Source: TOP 50

## Climbers in TOP 50

### Climbers of the year within TOP 50:

- **SLOVNAFT, a.s.** (from place 9 in 2021 to place 1 in 2022)
- **NAFTA a.s.** (from place 35 in 2021 to place 16 in 2022)

### Climbers to TOP 10:

- **Lidl Slovenská republika, v.o.s.** (from place 14 in 2021 to place 9 in 2022)
- **Continental Matador Rubber, s.r.o.** (from place 15 in 2021 to place 10 in 2022)

### Interesting climbers to TOP 50 from sustainability perspective:

- **Hella Slovakia Signal-Lighting, s.r.o.**
- **Amazon (Slovakia) s.r.o.**

## **SURVEY among TOP 50 taxpayers:**

**Which of the possible tax law changes are considered to be crucial for the recovery of the business environment by TOP 50 companies?**

1. More predictable and less frequent changes
2. Adoption of legislation at least 6 months before effectivity
3. Simplification of the tax system
4. Decrease in the corporate income tax rate
5. Decrease in the value added tax rate
6. Decrease in the overall tax and social/health security burden on labour
7. Decrease in the social/health insurance contributions on the part of the employer
8. More favourable relief for R&D
9. More advantages for taxpayers with the highest tax reliability index
10. Other

## SURVEY among TOP 50 taxpayers

- Results of the survey – most desired changes:

- Simplification of the tax system:



- Decrease in the overall tax and social/health insurance burden on labour:



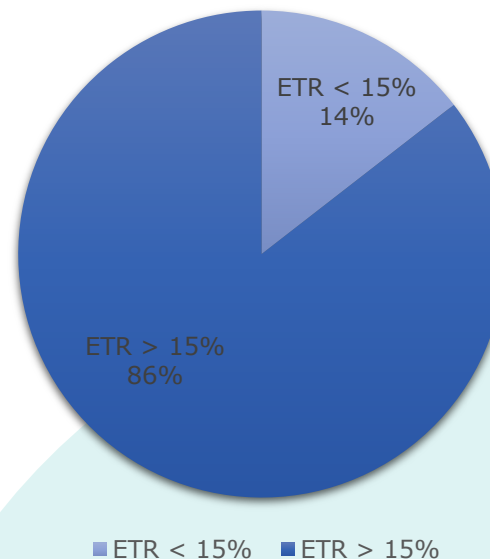
- More predictable and less frequent legislative changes (approval at least 6 months before effectivity):



## New from 2024 – minimum tax of 15% for MNEs

- Council Directive (EU) 2022/2523 – minimum level of taxation 15%
- Large MNEs with annual turnover over EUR 750 mil.
- Slovakia introduces a local top-up tax (QDMTT) based on the rules of the Directive (additional tax revenue for Slovakia)
- Unfavourable impact on tax relief, retroactivity discussions

### Effective tax rate



## Contact us

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**Thank you for your attention!**

