



Information for clients

Slovakia
April 6th, 2020

COVID-19: Contributions for job preservation

As of today, the Ministry of Labour, Social Affairs and Family of the Slovak Republic accepts applications for salary contributions for employers who have had to close their places of business due to the spread of COVID-19. **As of Wednesday, April 8, 2020**, applications for contributions to other employers and self-employed, who recorded a drop in turnover of more than 20%, will be accepted.

1. Employers with compulsory closed places of business

Employers who were obliged by the decision of the Health Department of the Slovak Republic to close or restrict their places of business can apply for **salary contributions for employees**.

The contribution is granted for every employee to whom the employer cannot assign work due to an obstacle on the part of the employer, whereas the employer pays him a salary compensation in the amount according to the Labor Code. For example, the contribution is not granted for the employees who work from home and receive salary (i.e. no salary compensation due to the employer's obstacles to work), nor for the employees who receive care allowance or vacation pay or are unable to work.

The contribution amounts to **80 % of the employee's average earnings**, but not more than **1 100 EUR** per employee. **The maximum total contribution** per applicant is **800 000 EUR**.

The condition for the contribution is that the job is retained even after the crisis.

2. Employers and the self-employed with a decline in turnover of at least 20%

Other employers who were not required to stop doing business, but who have recorded a turnover drop by at least 20% due to the current situation, can as well apply for a **salary contribution for employees**.

The contribution is granted for every employee to whom the employer is unable to assign work due to an obstacle on the part of the employer, whereas the employer pays him a salary compensation in the amount according to the Labor Code. For example, the contribution is not granted for employees who work from home and receive salary (i.e. no salary compensation due to the employer's obstacles to work), nor for the employees who receive care allowance or vacation pay or are unable to work. The prerequisite for this is that the job is retained even after the crisis.

The self-employed, who have had to interrupt or restrict their operations and consequently recorded a decline in turnover of at least 20%, can request a contribution to compensate for the loss of income from self-employment. If they are also an employer, they can also apply for the salary contribution for their employees.

The amount of the salary compensation for employees and the amount of the contribution to compensate for the loss of income from self-employment are dependent upon the decline in turnover.

Contribution for March 2020:

Decline in turnover	Amount of the contribution
less than 10%	0 EUR
10% - 19,99%	90 EUR
20% - 29,99%	150 EUR
30% - 39,99%	210 EUR
40% and more	270 EUR

Contribution for April 2020:

Decline in turnover	Amount of the contribution
less than 20%	0 EUR
20% - 39,99%	180 EUR
40% - 59,99%	300 EUR
60% - 79,99%	420 EUR
80% and more	540 EUR

The applicant can choose one of three options for **calculating the drop in turnover**:

- a) he may compare the turnover of the reporting month with the turnover of the same month in the previous year
- b) he may compare the turnover for the reporting month with the average monthly turnover for 2019 (only those applicants who have worked throughout 2019)
- c) he may compare the turnover of the reporting month with the turnover for February 2020 (applicants who only worked part of the year 2019 or who only

started operations in 2020, but at the latest on 1.2.2020)

General conditions to be met by each applicant (employer or self-employed)

The applicant

- fulfilled the income tax obligations,
- fulfilled the health insurance and social security obligations,
- has not violated the ban on illegal employment within the two years prior to the application for the contribution,
- has no overdue financial obligations to the Labour, Social Affairs and Family Office,
- is not in bankruptcy, liquidation, forced administration, or has no debt restructuring plan under the Insolvency and Restructuring Act,
- has no overdue claims arising from the employment of its employees,
- has no rightful penalty in form of ban on accepting grants or subsidies or ban on acceptance of subsidies and support from EU funds if it is a legal person.

In order to speed up the processing of applications, the fulfillment of the above conditions will only be documented by the affidavit of the applicant. However, if it later turns out that the conditions are not met, the applicant is obliged to reimburse the contribution.

The application can be filed on the website www.pomahameludom.sk.

We will be happy to help you with the application.

Your AUDITOR team

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