



## Client information No. 3

Slovakia  
June 2013

*The Amendment to the Act on Health Insurance from 2010 introduced paying health insurance contributions on dividends in Slovakia. Before making the payment of shares in the profits, each company making the payment as well as a recipient should get informed on their legal obligations.*

### Shares that are subject to health insurance contributions

Obligation to pay premiums for health insurance relates to dividends and shares in the profits of business companies and cooperatives which are paid from the profits gained within the accounting period started after 1 January 2011. Obligation to pay health insurance also relates in some cases to countervailing shares and shares in liquidation balance as well as shares of dormant partners in the business outcome. In this newsletter the dividends and shares in the profits are further referred as shares in profits.

Shares in profits are subject to health insurance contributions only if they are received by an individual who is subject to compulsory health insurance in Slovakia. If the recipient is **an individual who has compulsory insurance in another Member state of the European Union** (i. e. the recipient is subject to foreign health insurance system), the person shall not pay the health insurance contributions on received shares in profits in Slovakia.

Shares in profits are up to certain amounts (so called minimum basis) exempt from health insurance contributions. The minimum basis for shares received in 2012 is EUR 339.89 and for shares received in 2013 the amount is EUR 347.41.

### Shares in profits for the year 2011 and 2012

■ **Who pays the premiums from shares in profits?**  
Premiums from shares in profits distributed for the accounting period started before 31 December 2012 are paid by a policyholder, i. e. the recipient of shares in profits, e. g. partner or shareholder. The policyholder is not obliged to register for health insurance due to income from shares in profits.

**No advance payments** for health insurance are paid from shares in profits; received shares in profits enter the **annual settlement** of health insurance as an income **for the year in which they were paid**.

### ■ Premium rate

Premium rate is 10% and for persons with disabilities it is 5%.

### ■ Notification obligation

A policyholder whose **total amount of received shares in profits exceeded the amount of minimum basis shall report** this exceeding amount on 31 May of the following calendar year at the latest to the respective insurance company on a prescribed form (annexed to this newsletter).

Therefore, if a **natural person received** shares in profits in the total **amount exceeding EUR 339.89 in 2012**, the person shall be required to **submit the prescribed form to the health insurance company on 31 May 2013 at the latest**.

Calculation of premium amount of such gains shall be made by the health insurance company within the annual settlement of health insurance for the year 2013.



If a natural person receives shares in profits in the total amount exceeding EUR 347.41 in 2013, the person shall be required to inform the health insurance company on 31 May 2014 at the latest.

### Shares in profits for the accounting period starting in 2013

■ **Who pays the premiums from shares in profits? Advance payments for health insurance** from shares in profits distributed for **the accounting period started after 31 December 2012** shall be paid by a **payer of the shares** and only if he **resides within the territory of Slovakia**.

■ **Premium rate**

Premium rate is 14%.

■ **Notification obligation**

A payer of shares in profits residing in Slovakia shall be required to:

- **report in writing or electronically to the health insurance company** the total amount of paid shares and advance payments on insurance

**within eight days from the day on which they were paid;**

- **pay the advance payment on health insurance** for a policyholder to whom he paid the share in profits **to the eight day of the following calendar month after the payment of the shares in profits.**

A payer of shares in profits residing outside of Slovakia shall not be required to make advance payments on health insurance.

A policyholder, to whom the shares in profits were paid by a legal entity residing outside of Slovakia, shall be required to report the received amount to the health insurance company on a prescribed form on 31 May of the following year at the latest. ■

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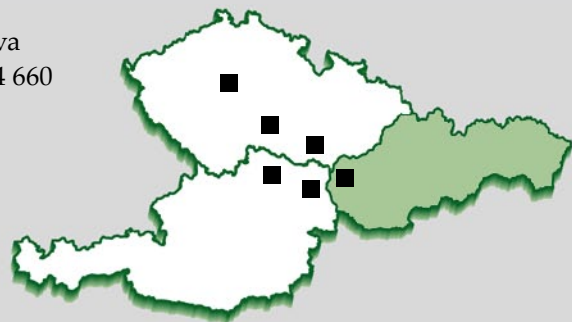
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