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# DEVELOPMENT OF REVERSE CHARGE MECHANISM IN SLOVAK VAT LAW

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# Cross-border reverse charge mechanism (applicable for non-resident suppliers)

## Supplies of goods

- only assembly and installation supplies (till end of 2015)
- all supplies of goods except for distance sales – as from 2016

## Services

- Services connected to immovable property
- short term rental of means of transport
- cultural, artistic, sporting, scientific, training, educational, entertainment and similar service
- passenger transport
- restaurant and catering services



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# Local reverse charge mechanism (Article 198)

First categories subject to local reverse charge mechanism in Slovakia:

- **gold in the form of raw material or semi-finished product**
- **investment gold**

Applicable from **April 2009**



# Local reverse charge mechanism (specific transactions under Art. 199)

<b>Category</b>	<b>Starting date</b>
– metal waste and metals scrap	April 2009
– immovable property (or a part of it) where the option to tax was elected by the supplier	October 2012
– supply of goods provided as security by one taxable person to another in execution of that security	October 2012
– supply of goods following the cession of a reservation of ownership to an assignee and the exercising of this right by the assignee:	October 2012
– supply of immovable property within the enforcement of bankruptcy proceedings:	October 2012
– supply of construction works, supply of the building/construction, assembly and installation supplies (under section F of statistic nomenclature)	<b>January 2016</b>



# Local reverse charge mechanism (specific transactions under Art. 199a and 199b)

<b>Category (under Art. 199a)</b>	<b>Starting date</b>
– greenhouse gas emission allowances	January 2011
– selected agricultural crops*	January 2014
– Iron and Steel (code 72) and selected items from iron and steel (codes 7301, 7308 and 7314)*	January 2014
– mobile phones *	January 2014
– integrated circuit devices *	January 2014

*\*Reverse charge is only applicable if the value of the transaction exceeds 5 000 EUR*

- **Quick reaction mechanism (under Art. 199b)**
  - not applied by Slovakia so far



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If you have any questions, please do not hesitate to contact us.



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