

COLLECTION  OF LAWS  
OF THE SLOVAK REPUBLIC

Year 2018

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The provisions of the instrument are legally binding.

**112**

**ACT**

of 13 March 2018,

**on Social Economy and Social Enterprises and on  
Alterations and Amendments to Certain Laws**

The National Council of the Slovak Republic has adopted this Act:

**Art. I**

**PART ONE**

**FUNDAMENTAL PROVISIONS**

**Section 1**

**Scope of Application**

This Act establishes the entities of the social economy, social enterprises, organisations of the social economy, the provision of support to the enterprises in a wider area of the social economy, and defines the sector of the social economy and the state administration in the social economy.

**Section 2**

**Definitions**

(1) For the purposes of this Act, a positive social impact shall mean the fulfilment of the public interest or the community interest.

(2) For the purposes of this Act, the fulfilment of the public interest shall mean the provision of a socially beneficial service to society as a whole or to an unlimited circle of natural persons, the provision of a socially beneficial service to the disadvantaged or vulnerable persons, and the provision of a socially beneficial service pursuant to Subsection (4)(i).

(3) For the purposes of this Act, the fulfilment of the community interest shall mean the provision of a socially beneficial service to a group of persons that can be circumscribed and identified according to a territorial, membership, interest, or other objective criterion, except for providing a socially beneficial service to the disadvantaged or vulnerable persons, and a socially beneficial service pursuant to Subsection (4)(i).

(4) For the purposes of this Act, a socially beneficial service shall mean

- a) provision of health care;
- b) provision of social assistance and humanitarian care;
- c) creation, development, protection, restoration, and presentation of spiritual and cultural values;
- d) protection of human rights and fundamental freedoms;

- e) learning, education, and development of physical culture;
- f) research, development, scientific and technical services, and information services;
- g) creation and protection of the environment and protection of the health of the population;
- h) services to support regional development and employment;
- i) housing, management, maintenance, and renovation of the housing stock.

(5) For the purposes of this Act, a disadvantaged person shall mean a natural person who

- a) in the previous 6 months has not been in employment other than employment not exceeding in the aggregate 40 days in a calendar year, and if the total monthly salary or remuneration has not exceeded the amount of the subsistence minimum for one adult under a special regulation,<sup>1)</sup> where such person
  - 1. is less than 26 years of age, has completed their systematic vocational preparation<sup>2)</sup> with the appropriate degree of education in full-time study courses less than 2 years ago and failed to acquire their first employment, lasting at least 6 consecutive months;
  - 2. is older than 50 years;
  - 3. is incorporated in the register of job seekers<sup>3)</sup> for at least 12 consecutive months;
  - 4. has completed less than secondary vocational education under a special regulation;<sup>4)</sup>
  - 5. lives as a solitary adult with one or more people dependent on their care or cares for at least one child before the end of compulsory education;
  - 6. belongs to a national or ethnic minority and needs to develop their language skills, expertise, or gain work experience for the purpose of finding permanent employment; or
  - 7. is permanently resident in the least developed district;<sup>5)</sup>
- b) is a person with disabilities, namely such person
  - 1. is recognised as disabled<sup>6)</sup>; or
  - 2. is not recognised as disabled, but has a long-term disability that reduces their physical, mental, and sensory abilities, preventing such person from being fully and effectively engaged in the working environment compared to a healthy individual.<sup>7)</sup>

(6) For the purposes of this Act, a vulnerable person shall mean

- a) a social service recipient under a special regulation;<sup>8)</sup>
- b) a natural person in an unfavourable social situation;<sup>9)</sup>
- c) a child with special educational needs or a pupil with special educational needs under a special regulation<sup>10)</sup> other than a child or pupil under a special regulation;<sup>11)</sup>
- d) a child or an adult for whom measures for the social and legal protection of children and social guardianship are taken;<sup>12)</sup>
- e) an adult whose institutional care ended by reaching the age of majority, an adult who has been provided under the agreement with care in a facility for the social and legal protection of children and social guardianship after the execution of a judicial decision by reaching the age of majority, or an adult who has been entrusted to personal care of a natural person other than the parent, to foster care, or for whom a guardian has been appointed by a court;<sup>13)</sup>

- f) a natural person dependent on the assistance of another natural person;<sup>14)</sup>
- g) a natural person returning to the labour market after the end of receiving a maternity allowance<sup>15)</sup> unless such person receives a parental allowance, or after the end of receiving a parental allowance,<sup>16)</sup> specifically 18 months from the end of receiving the maternity or parental allowance if such person is incorporated in the register of job seekers no later than 6 months from the end of receiving the maternity or parental allowance;
- h) a natural person returning to the labour market after the end of providing personal assistance<sup>17)</sup> or after the end of receiving a carer's allowance,<sup>18)</sup> specifically 18 months from the end of providing personal assistance or from the end of receiving the carer's allowance if such person is incorporated in the register of job seekers no later than 6 months from the end of providing personal assistance or receiving the carer's allowance;
- i) a natural person who is an old age pensioner;<sup>19)</sup>
- j) a natural person – non-entrepreneur whose monthly income<sup>20)</sup> does not exceed three times the amount of the subsistence minimum for one adult under a special regulation;<sup>1)</sup>
- k) a natural person after being released from the custodial sentence, custody or protective education;
- l) a natural person without nationality;
- m) an asylum seeker<sup>21)</sup> or an alien who is provided with additional protection.<sup>22)</sup>

(7) For the purposes of this Act, a person interested shall mean

- a) a person directly interested who is
  1. an employee of the relevant social enterprise;
  2. a consumer of the goods or services produced, delivered, provided, or distributed by the relevant social enterprise;
  3. an inhabitant of the municipality where the establishment of the relevant social enterprise is located;
  4. a natural person who has been carrying out volunteering<sup>23)</sup> for the relevant social enterprise for at least 150 hours in the previous 12 consecutive months;
- b) a person indirectly interested who is
  1. a member, an employee, a statutory body, or a statutory body member of a civic association,<sup>24)</sup> a foundation,<sup>25)</sup> a non-profit organisation providing services of general interest<sup>26)</sup> (hereinafter referred to as a “non-profit organisation”), a non-investment fund,<sup>27)</sup> or a special-purpose church or religious society<sup>28)</sup> with legal personality (hereafter referred to as the “special-purpose church”);
  2. a member, an employee, a statutory body, or a statutory body member of another social enterprise, or a natural person having an interest in another social enterprise;
  3. a natural person – entrepreneur who contributes by at least 1 % of their income to the activity of or carries out volunteering for a civic association, a foundation, a non-profit organisation, a non-investment fund, a special-purpose church, or a social enterprise;
  4. a member of the academia of a university<sup>29)</sup> or a natural person from the expert community, who carries out pedagogical, research and pedagogical, or research activities in the social economy, social enterprises or achievement of a positive social impact on social enterprises.

(8) A person interested under Subsection (7) shall not mean

- a) a member, a statutory body, or a statutory body member of the relevant social enterprise;
- b) a natural person who has an interest in the relevant social enterprise, is a dependent person<sup>30)</sup>, or a beneficial owner.<sup>31)</sup>

(9) For the purposes of this Act, an employee is a natural person who is in employment.

### **Section 3 Social Economy**

The social economy is the sum of productive, distribution, or consumer activities carried out through an economic<sup>32)</sup> or non-economic activity independently of state authorities, the main objective of which is to achieve a positive social impact.

### **Section 4 Social Economy Actor**

(1) A social economy actor is a civic association, a foundation, a non-investment fund, a non-profit organisation, a special-purpose church, a trading company, a cooperative, or a natural person – entrepreneur being an employer, who

- a) are not controlled or largely funded by a state authority that does not appoint or elect a statutory body of such entities or more than half of its members, and does not appoint or elect more than half of the members of the governing or supervisory body;
- b) carry out an economic or non-economic activity as part of the social economy activities; and
- c) conduct business or carry out other gainful activity under special regulations, do not perform such activities exclusively for the purpose of making a profit, or the profit made therefrom is used in accordance with this Act.

(2) For the purposes of Subsection (1)(a), funding shall not mean granting support under this Act or special regulations.<sup>33)</sup>

### **Section 5 Social Enterprise and Social Impact Enterprise**

(1) A social enterprise is a social economy actor

- a) which independently carries out a continuous economic activity on its own behalf and responsibility;
- b) the main objective of which is to make a measurable positive social impact;
- c) in which the goods or services produced, delivered, provided, or distributed by it, or the way such goods or services are produced or provided, contribute to making such positive social impact;
- d) which, in the event of
  1. making a profit from its activity, uses more than 50 % of the after-tax profit for achieving the main objective under (b) of this Subsection;
  2. distributing part of the profit pursuant to the Commercial Code, distributes such profit according to procedures and rules that do not undermine the main objective under (b);
- e) who engages the persons interested in the management of its economic activity.

(2) The social enterprise that has been granted the status of a registered social enterprise is

a registered social enterprise.

(3) A social impact enterprise shall mean a civic association, a foundation, a non-profit organisation, a special-purpose church, a trading company, a cooperative, or a natural person – entrepreneur that independently carry out a continuous economic activity on their own behalf and responsibility, their main objective is to make a measurable positive social impact, and meet at least two of the conditions under Subsection (1)(c) to (e).

(4) Section 4 Subsection(1)(a) and Subsection (2) shall apply, *mutatis mutandis*, to a social impact enterprise.

(5) The condition under Subsection (1)(d) of the first paragraph shall be deemed met even if the funds amounting to the after-tax profit are used in one of the following manners:

- a) used to make an investment<sup>34)</sup> specially designed to make a measurable positive social impact;
- b) transferred to a separate account with a bank or a branch of a foreign bank<sup>35)</sup> for their future use to make a measurable positive social impact; or
- c) deposited in a reserve fund<sup>36)</sup> or an indivisible fund<sup>37)</sup> for their future use to make a measurable positive social impact.

(6) For the purposes of this Act, a social enterprise and a social impact enterprise are enterprises in the wider area of the social economy.

## **PART TWO**

### **GRANTING THE STATUS OF A REGISTERED SOCIAL ENTERPRISE, TYPES AND SOME OBLIGATIONS OF REGISTERED SOCIAL ENTERPRISES**

#### **Section 6**

##### **Conditions for Granting the Status of a Registered Social Enterprise**

- (1) The status of a registered social enterprise may be granted to an applicant who
  - a) meets the conditions under Section 5 Subsection (1), and if such applicant applies for being granted the status of
    1. a registered integration social enterprise (hereinafter referred to as an “integration enterprise”), it also meets the conditions for making a positive social impact and the way of measuring it under Section 12 Subsections (1) and (2);
    2. a registered social housing enterprise (hereinafter referred to as a “social housing enterprise”), it also meets the conditions for making a positive social impact and the way of measuring it under Section 13 Subsections (1) to (3);
    3. any other registered social enterprise, it makes a greater positive social impact than an entrepreneur carrying out a similar activity for the purpose of making a profit;
  - b) has the Advisory Committee established under Section 9, or applies the principles of democratic governance under Section 10;
  - c) has a basic document containing
    1. a description of the applicant’s main objective under Section 5 Subsection (1)(b);
    2. a way of measuring the positive social impact;
    3. the scope of the economic activity;
    4. a description of how the goods or services produced, delivered, provided, or distributed by the applicant, or the way such goods or services are produced or provided, contribute to making a positive social impact;

5. the applicant's obligation to use more than 50 % of the profit to achieve the main objective under Section 5 Subsection (1)(b) and determine the procedures and rules of distributing the remaining part of the profit, which do not undermine the main objective;
  6. a description of the engagement of the persons interested through the Advisory Committee under Section 9, or by applying the principles of democratic governance under Section 10;
  7. a description of how the conditions under (h) are met;
- d) if it is a legal entity, has its registered office, or if it is a natural person, has its place of business in the Slovak Republic, another Member State of the European Union, a State that is party to the Agreement on the European Economic Area, or the Swiss Confederation (hereinafter referred to as "another Member State");
  - e) is credible;
  - f) has a developed plan of a registered social enterprise's activity, including the calculation of the anticipated income and expenditure, if it is an applicant that has existed or been carrying out activities in the social economy for no more than one year (hereinafter referred to as a "start-up company"), or an applicant under Section 7 Subsection (5) the last sentence;
  - g) is without a criminal record; if it is a legal entity, the condition of being without a criminal record must also be fulfilled by the statutory body or a member thereof;
  - h) fulfils, in respect of its internal organisation and activities, the conditions pursuant to
    1. Section 221 Subsection (3), Sections 222, 223, 235, 244, 245, 252, and 253 of the Commercial Code if it is a civic association;
    2. Sections 67, 105, 106, 108 to 124, and 136 of the Commercial Code if it is a foundation, a non-profit organisation, or a special-purpose church;
  - i) has no arrears of mandatory public health insurance contributions, social insurance contributions and mandatory contributions to old-age pension savings in the Slovak Republic, in the state of the registered office if it is a legal entity, or in the state of the place of business if it is a natural person;
  - j) has no arrears of taxes in the Slovak Republic, the administrator of which is a tax office or a customs office, in the state of the registered office if it is a legal entity, or in the state of the place of business if it is a natural person;
  - k) has not violated the prohibition of illegal employment in the period of three years prior to submitting an application for the status of a registered social enterprise;
  - l) has not been declared bankrupt, against whom no bankruptcy proceedings have been suspended for lack of its assets, or whose bankruptcy has not been cancelled for lack of its assets, or who is not restructured and in liquidation;
  - m) whose status of a registered social enterprise has not been revoked in the period of three years prior to submitting an application for the status of a registered social enterprise.

(2) With regard to an applicant who, if it is a legal entity, has its registered office, or if it is a natural person, has its place of business in the Slovak Republic, fulfilment of the conditions under Subsection (1)(c), (d), (g), (i) to (l) shall be ensured by the Ministry of Labour, Social Affairs and Family of the Slovak Republic (hereinafter referred to as the "Ministry of Labour") by virtue of its official duty; the foregoing shall not apply to the condition under Subsection (1)(c) if it is an applicant who is not a trading company or a cooperative. A health insurance company, the Social Insurance Agency, and the National Labour Inspectorate are obliged to electronically provide the Ministry of Labour with the information regarding the fulfilment of the conditions under Subsection (1)(i) and (k) from the information system within five working days from the date of receipt of the application. The status of being without a criminal record is evidenced by a copy of the criminal record. The Ministry of Labour shall forthwith send the data pursuant to Section 7 Subsection (1)(a) in electronic form to the General Prosecutor's Office of the Slovak Republic. The

Ministry of Labour shall ensure the fulfilment of the conditions under Subsection (1)(e) and (m) for all applicants.

(3) The basic document under Subsection (1)(c) of

- a) a civic association, a special-purpose church, a cooperative, and a joint-stock company is constituted by the By-laws;
- b) a non-profit organisation is constituted by the Statutes;
- c) a foundation is constituted by the Foundation Charter;
- d) a public limited company, a limited partnership and a limited liability company is constituted by the Partnership Agreement;
- e) a simple company limited by shares is constituted by the Memorandum of Association, the Deed of Incorporation or the By-laws;
- f) a natural person – entrepreneur being an employer, and of an applicant having its registered office or place of business in another Member State, is constituted by another document.

(4) For the purposes of Subsection (1)(e), a person shall not be deemed credible if there are any demonstrable doubts as to whether such person will fulfil their obligations honestly and conscientiously in respect of carrying out the economic activity of a registered social enterprise in accordance with this Act or special regulations.

(5) For the purposes of Subsection (1)(g), a person shall not be deemed to be without a criminal record if such person has been lawfully convicted of a deliberate criminal offence and their conviction has not been expunged from the criminal record or such person is not treated as if such person has not been convicted.

## **Section 7**

### **Procedure for Granting the Status of a Registered Social Enterprise**

(1) The procedure for granting the status of a registered social enterprise commences upon submitting the application. The application for the status of a registered social enterprise (hereinafter referred to as the “application for status”) must be in writing and contain the identification data of the applicant and the identification of the registered social enterprise the status of which the applicant applies for pursuant to Section 11. The application for status shall be submitted on the form determined by the Ministry of Labour. The application for status shall be accompanied by

- a) the data necessary to request a copy of the criminal record under a special regulation<sup>38</sup>) and the consent to their processing;
- b) the basic document if the applicant
  1. is neither a trading company nor a cooperative;
  2. who is a legal entity has its registered office, or who is a natural person has its place of business, in another Member State;
- c) the registered social enterprise’s plan in the case of an applicant who is a start-up company or an applicant under the last sentence of Subsection (5);
- d) the documents proving the fulfilment of the conditions under Section 6 Subsection (1)(d), (g), (i) to (l) in the case of an applicant who is a legal entity and has its registered office, or who is a natural person and has its place of business, in another Member State; if another Member State issue no such documents, they may be replaced by an affidavit.

(2) The application for status may be accompanied by a certificate under Section 26 Subsection (7); if the certificate is submitted together with the application for status, the condition of the applicant’s credibility shall be deemed fulfilled unless proved otherwise.

(3) During the procedure for granting the status of a registered social enterprise, the Ministry of Labour decides upon

- a) verifying the fulfilment of the conditions under Section 6 Subsection (1);
- b) assessing the documents submitted;
- c) taking into account the certificate under Subsection (2) if it has been submitted.

(4) If the applicant fulfils the conditions under Section 6 Subsection (1), the Ministry of Labour shall grant such applicant the status of a registered social enterprise; the said fact shall be indicated in the file, without making the decision in writing. The status of a registered social enterprise is granted without time limitation. The Ministry of Labour shall deliver a certificate of the status of a registered social enterprise to the relevant registered social enterprise.

(5) The Ministry of Labour shall grant the status of a registered social enterprise to the applicant who is a start-up company even without fulfilling the conditions under Section 6 Subsection (1)(a), (b) and (h). The registered social enterprise which has been granted the status of a registered social enterprise under the first sentence is obliged to prove to the Ministry of Labour that it has fulfilled the conditions under Section 6 Subsection (1)(a), (b) and (h) within 12 months of the date of granting the status, and the condition under Section 5 Subsection (1)(d) within 24 months of the date of granting the status. The procedure under the first sentence may apply even in the case of another applicant if there are reasons for applying such procedure that require particular attention; when applying the procedure under the first sentence, the applicant is subject to the obligation under the second sentence.

(6) A registered social enterprise shall meet the conditions under Section 6 Subsection (1) during the period of validity of the status of a registered social enterprise; such obligation shall not be applicable to the registered social enterprise under Subsection (5) for 12 months from the date of granting the status of a registered social enterprise in the case of the conditions under Section 6 Subsection (1)(a), (b) and (h), and for 24 months from the date of granting the status of a registered social enterprise in the case of the condition under Section 5 Subsection (1)(d). A registered social enterprise shall notify the Ministry of Labour in writing of any change in the facts relating to the fulfilment of the conditions under Section 6 Subsection (1)(a) within 10 days of the day of such change.

(7) A registered social enterprise shall add the designation “registered social enterprise” or the abbreviation “r. s. p.” to its business name.

## **Section 8**

### **Termination and Revocation of the Status of a Registered Social Enterprise**

- (1) The status of a registered social enterprise shall terminate upon
- a) dissolution of a legal entity or, in the case of a natural person – entrepreneur, upon their death or being pronounced dead;
  - b) returning the status of a registered social enterprise;
  - c) violating the provisions of Subsection (4).

(2) The Ministry of Labour shall revoke the status of a registered social enterprise if the registered social enterprise

- a) has breached the obligation under Section 7 Subsection (6) the first sentence;
- b) has failed to prove that it had fulfilled the conditions within the time limit under Section 7 Subsection (5);
- c) has violated the prohibition of illegal employment.

(3) The Ministry of Labour may revoke the status of a registered social enterprise if the registered social enterprise repeatedly or seriously breaches the obligations under this Act not provided in Subsection (2).

(4) A registered social enterprise may only merge or amalgamate with another registered social enterprise. If a registered social enterprise is split up, the persons to whom its capital is transferred must also be registered social enterprises.

## **Section 9**

### **Advisory Committee**

(1) The Advisory Committee shall have at least three members. The method of election or appointment, as well as that of removal of a member of the Advisory Committee shall be set forth by a registered social enterprise in its internal rules and regulations so as to ensure that, at least in relation to the persons directly interested, the Advisory Committee is established in a transparent and fair manner, enabling the persons directly interested to be engaged in the election of members of the Advisory Committee and standing as a candidate for a member of the Advisory Committee, without any intervention by the registered social enterprise or of its bodies in the process of election or appointment.

(2) Only a person interested may be a member of the Advisory Committee. The majority of the members of the Advisory Committee must be made up of the persons directly interested, and if

- a) a registered social enterprise has employees, at least one of them must be a member of the Advisory Committee;
- b) it is an integration enterprise, at least one member of the Advisory Committee must be an employee who is a disadvantaged or vulnerable person.

(3) The Advisory Committee participates in the functioning of a registered social enterprise, making a positive social impact of a registered social enterprise and assessing the positive social impact made through

- a) discussions;
- b) the right to information;
- c) auditing.

(4) A registered social enterprise shall discuss with the Advisory Committee particularly

- a) important issues of enterprise's development and achieving the main objective of its activities;
- b) the status, structure and anticipated employment developments and planned measures, especially if employment is at risk;
- c) key social policy issues and measures to improve working conditions;
- d) decisions which may lead to fundamental changes in the organisation of work or contract terms;
- e) restriction or cessation of a registered social enterprise's activity or part thereof, merger, amalgamation, split-up or change of the legal form of a registered social enterprise;
- f) measures to prevent the occurrence of accidents and occupational diseases and ensure occupational safety and health.

(5) A registered social enterprise shall inform the Advisory Committee of its economic and financial situation and the expected developments of its activities in a comprehensible manner and in good time. A registered social enterprise may refuse to provide information that could be damaging to it or may require that such information is deemed confidential.

(6) For auditing purposes, the members of the Advisory Committee may particularly

- a) enter the workplaces of a registered social enterprise at the agreed time;
- b) require the necessary information and materials from management staff;
- c) make suggestions for improving working conditions;

d) require a registered social enterprise to order the removal of the deficiencies

identified and to take measures to prevent a breach of statutory and contractual obligations;

e) require a registered social enterprise to provide information on what measures have been taken to remove the deficiencies identified in the course of auditing.

(7) If there is no trade union or works council in a registered social enterprise, the Advisory Committee also audits compliance with labour-law regulations, including wage regulations and obligations under a collective agreement.

(8) For auditing purposes, a registered social enterprise shall allow the members of the Advisory Committee to enter its workplaces.

(9) The Advisory Committee shall meet at least once every two months. The minutes of an Advisory Committee meeting shall be taken down and provided by a registered social enterprise to the Ministry of Labour upon its request.

(10) A member of the Advisory Committee may be remunerated for membership of the Advisory Committee.

(11) The condition of establishing the Advisory Committee shall be deemed fulfilled if a works council<sup>39)</sup> or a special body of a cooperative elected by a members' meeting operates in a registered social enterprise;<sup>40)</sup> the provisions of Subsections (1) to (6) and (8) to (10) shall not apply to such case.

## **Section 10**

### **Democratic Governance**

(1) The application of the principles of democratic governance in a registered social enterprise which is a cooperative or a civic association shall mean a state where

- a) employees constitute the majority of members of the cooperative or the civic association;
- b) most employees are members of the cooperative or the civic association;
- c) each member has one vote when voting at a members' meeting or a similar session of the civic association;
- d) internal rules ensure that any employee who has been employed in the cooperative or the civic association for at least five years has the right to vote at a members' meeting or a similar session of the civic association or to comment on everything being voted with the same effect, except for an employee who has been a member of the cooperative or the civic association in the past five years.

(2) The application of the principles of democratic governance in a registered social enterprise which is a trading company shall mean a state where

- a) most employees hold a share in the trading company;
- b) most shareholders are employees;
- c) each shareholder has one vote when voting at a general meeting or a similar session regardless of the amount of the share;
- d) internal rules ensure that any employee who has been employed in the trading company for at least five years has the right to vote at a general meeting or a similar session or to comment on everything being voted with the same effect.

(3) The application of the principles of democratic governance in a registered social enterprise which is a non-profit organisation, a foundation, or a special-purpose church shall mean a state where

- a) the Statutes, the Foundation Charter or the By-laws provides for a general meeting which has the right to elect the governing board;

- b) employees have the majority of votes at a general meeting;
- c) the majority of persons eligible to vote at a general meeting is made up of employees;
- d) each person eligible to vote has one vote when voting at a general meeting;
- e) an employee who has worked in the non-profit organisation, the foundation, or the special-purpose church for at least five years has the right to vote at a general meeting.

(4) The condition of applying the principles of democratic governance shall be deemed fulfilled in a registered social enterprise which is a civic association and has less than five employees.

### **Section 11**

#### **Types of Registered Social Enterprises**

(1) A registered social enterprise that makes a positive social impact by achieving the goals of

- a) the public interest is a public-benefit enterprise;
- b) of the community interest is a community-benefit enterprise.

(2) In terms of orientation of the activity, a registered social enterprise may be

- a) an integration enterprise;
- b) a social housing enterprise; and
- c) other registered social enterprise.

### **Section 12**

#### **Integration Enterprise**

(1) The integration enterprise is a public-benefit enterprise which makes its positive social impact by promoting employment through the employment of disadvantaged or vulnerable persons.

(2) The positive social impact under Subsection (1) is measured by the percentage of employed disadvantaged and vulnerable persons, and such positive social impact is deemed made if the integration enterprise employs

- a) at least 30 % of disadvantaged persons out of the total number of employees;
- b) at least 30 % of vulnerable persons out of the total number of employees; or
- c) at least 40 % of disadvantaged and vulnerable persons out of the total number of employees.

(3) For the purposes of Subsections (1) and (2),

- a) a disadvantaged person shall also mean an employee who has been a disadvantaged person at the time of joining the integration enterprise, namely for two years from the joining date;
- b) a vulnerable person shall also mean an employee who has been a vulnerable person under Section 2 Subsection (6)(g) and (h) at the time of joining the integration enterprise, namely for two years from the joining date;
- c) a vulnerable person shall not mean a vulnerable person under Section 2 Subsection (6)(i) and (j).

(4) In the integration enterprise where the number of employed disadvantaged persons falls below 30 % or the number of employed disadvantaged and vulnerable persons falls below 40% due to expiry of the time limit under Subsection (3)(a) or due to an increase in the number of employees following an investment related to setting up a new establishment, extension of production, diversification of production or substantial change in the production process, the condition under Subsection (2)(a) or (c) shall be deemed fulfilled for no more than six months from the date of expiry of the time limit under Subsection (3)(a) or from the date of the increase in the

number of employees if the integration enterprise employs such a number of disadvantaged or vulnerable persons during those six months so as to fulfil the condition under Subsection (2)(a) or (c).

### **Section 13 Social Housing Enterprise**

(1) A social housing enterprise is a public-benefit enterprise in which a municipality or a higher territorial unit has no majority interest and which makes its positive social impact by providing socially beneficial rental housing.

(2) For the purposes of Subsection (1), socially beneficial rental housing shall mean the provision of housing, management, maintenance, and renovation of the housing stock through the construction, conversion, or acquisition of flats in order to rent them out to eligible persons, or through rental of these flats to such natural persons. Socially beneficial rental housing is a social service of general interest under a special regulation.<sup>41)</sup>

(3) For the purposes of Subsection (2), eligible persons are natural persons who form a household<sup>42)</sup> and whose total monthly income<sup>20)</sup> does not exceed four times the amount of the subsistence minimum.<sup>1)</sup> The monthly income is calculated based on the income for the previous calendar year as the ratio of that income and the number of months for which such persons have been entitled to such income. If a natural person with a severe disability is also a member of the household and does not belong to the circle of jointly assessed persons under a special regulation,<sup>43)</sup> such natural person with a severe disability shall be deemed to be another jointly assessed adult when calculating the income.

(4) The positive social impact under Subsection (1) is measured by the number of flats under construction, flats with issued certificates of occupancy, or the number of flats rented. When renting flats, the positive social impact shall be deemed made if a social housing enterprise rents at least 70 % of the flats it owns for the rental corresponding to the costs of the flat. In the case of a social housing enterprise which is a cooperative or a trading company and rents flats to its members or partners, the monthly income of those members or partners is assessed as of the date of making a member's contribution or a contribution.

(5) For the purposes of Subsection (4), the rental corresponding to the costs of the flat includes the necessary costs associated with the acquisition, management and operation of the residential building where the flats are located.

(6) In a social housing enterprise which ceases to fulfil the condition under the second sentence of Subsection (4) on the grounds that the monthly income of the eligible persons exceeds the income under Subsection (3) or that the eligible persons cease to tenant the flat, the condition under the second sentence of Subsection (4) shall be deemed fulfilled for no more than one year from the day the said fact occurs.

(7) A social housing enterprise may not transfer the flats or residential buildings which it owns and which were constructed, converted, or acquired by using the funds received from the support under this Act to a person other than a social housing enterprise for 30 years from the date of designation of the registration number, issue of the certificate of occupancy or the acquisition. The restriction under the first sentence shall be entered in the Land Register as a comment on titles to the real property upon the proposal of the support provider. Any contracts concluded in contradiction to the first sentence are invalid.

### **Section 14 Bookkeeping**

(1) A registered social enterprise shall keep the books and records in the double-entry system under a special regulation.<sup>44)</sup> A calendar year shall be the accounting period of a registered social enterprise.

(2) In its bookkeeping, a registered social enterprise shall separately monitor the activity carried out as a registered social enterprise by creating analytic accounts. If it is impossible to provide evidence of the registered social enterprise's activity by creating analytic accounts, the registered social enterprise shall keep analytic records or other auxiliary records.

(3) A registered social enterprise shall have its financial statements and annual report verified by a statutory auditor<sup>45)</sup> if

- a) the receipt<sup>46)</sup> of public funds and portions of the tax paid in the accounting period for which the financial statements are prepared exceeds EUR 200,000; or
- b) all receipts of a registered social enterprise in the accounting period for which the financial statements are prepared exceed EUR 500,000.

## **Section 15 Annual Report**

(1) A registered social enterprise shall prepare the annual report for a calendar year by the deadline specified by the statutory body or the basic document, but no later than 30 June of the following calendar year.

(2) The annual report of a registered social enterprise shall particularly contain

- a) an assessment of the positive social impact made by a registered social enterprise and specified in its basic document, and an overview of the activities carried out in the calendar year;
- b) the financial statements and an assessment of the underlying data contained therein;
- c) the auditor's report if a registered social enterprise is subject to statutory audit;
- d) a monetary income and expenditure statement,
- e) an income statement broken down by sources;
- f) a statement and movements of assets and liabilities;
- g) the composition of the bodies of a registered social enterprise and their changes occurring during the calendar year;
- h) data and information determined by the general meeting, the governing board or other similar body of a registered social enterprise.

(3) A registered social enterprise shall save the financial statements, the auditor's report if it is subject to statutory audit, and the annual report in the public section of the Register of Financial Statements under a special regulation<sup>47)</sup> no later than 15 July of the following calendar year.

(4) A registered social enterprise shall publish the annual report on its website, if any.

(5) A registered social enterprise shall also fulfil the obligations under Subsections (1) to (3) by preparing the annual report under a special regulation<sup>48)</sup> if it contains the particulars required by Subsection (2) and is saved in the public section of the Register of Financial Statements under a special regulation.<sup>47)</sup>

## **PART THREE SUPPORT FOR ENTERPRISES IN A WIDER AREA OF THE SOCIAL ECONOMY**

### **Section 16**

(1) For the purposes of this Act, support for enterprises in a wider area of the social economy shall mean

- a) an investment aid;
- b) a compensatory aid;
- c) an aid to support demand.

(2) Support for an enterprise in a wider area of the social economy may only be provided if the enterprise carries out the activity to which the aid is granted in the Slovak Republic.

(3) Support for an enterprise in a wider area of the social economy may only be provided in accordance with special State aid regulations;<sup>49)</sup> For these purposes, the Ministry of Labour shall create aid schemes under a special regulation.<sup>50)</sup>

(4) A registered social enterprise which fulfils the condition under Section 5 Subsection (1)(c) through the economic activity and uses 100 % of the after-tax profit to achieve the main objective under Section 5 Subsection (1)(b) or applies the principles of democratic governance may be granted all types of support under Subsection (1).

(5) A registered social enterprise which is not a registered social enterprise under Subsection (4) may be granted the investment aid under Section 17 Subsection (1)(a) to (c) and the compensatory aid under Section 19 Subsection (2)(a) and (b).

(6) A social enterprise which is not a registered social enterprise, and a social impact enterprise may be granted the investment aid under Section 17 Subsection (1)(a) and (b) and the compensatory aid under Section 19 Subsection (2)(a) and (b).

(7) Unless an enterprise in a wider area of the social economy is obliged to repay the aid granted under a special regulation,<sup>51)</sup> an enterprise in a wider area of the social economy is obliged to repay the aid granted or an aliquot part thereof after deducting the tax write-offs of the intangible fixed assets purchased or the tangible fixed assets, including if

- a) it breaches the obligations and restrictions under Section 24 Subsection (2) to (12) in the case of a registered social enterprise;
- b) it ceases to meet the conditions of a social enterprise under Section 5 Subsection (1) or a social impact enterprise under Section 5 Subsection (3) prior to the end of the period for which the aid is granted.

## **Investment Aid**

### **Section 17**

(1) An investment aid is granted for the purpose of supporting an investment or preparation of an investment project and advisory services<sup>52)</sup> related to such preparation. The investment aid may be granted in the form of

- a) a financial instrument;<sup>53)</sup>
- b) an aid combined with a financial instrument in one operation under a special regulation;<sup>54)</sup>
- c) a conditionally repayable financial contribution;<sup>55)</sup>
- d) a non-repayable financial contribution;<sup>55)</sup>
- e) a subsidy for a registered social enterprise (hereinafter referred to as the “subsidy”);
- f) a sale of the real property at a lower price than the general value of the property<sup>56)</sup>, or the rental of the real property at a lower price than the value of the rental of the real property determined by an expert opinion;
- g) income tax relief under a special regulation.<sup>57)</sup>

(2) The provision of the investment aid under Subsection (1)(a) to (d) and (f) shall be subject to special regulations<sup>58)</sup> unless otherwise provided for herein.

(3) The condition for obtaining the investment aid in the form under Subsection (1)(d) and (e) is the approval of the investment aid in the form under Subsection (1)(a), amounting to at least 20 % of the total costs of the investment plan or other form of financing which is associated with the obligation to repay the funds provided, amounting to at least 10 % of the total costs of the investment plan for the same purpose of using the investment aid.

(4) The date of granting the status of a registered social enterprise shall be deemed to be the date of granting the aid in the form under Subsection (1)(g).

## **Section 18**

(1) A contract for investment aid under

a) Section 17 Subsection (1)(a) to (d) shall contain, in addition to the particulars required by special regulations,<sup>59)</sup>

1. a reference number of the decision approving the investment aid, if any;
2. the intensity and amount of the investment aid;
3. the date and method of granting the investment aid;
4. the title of the investment plan;
5. the total eligible costs of the investment plan and the amount of the eligible costs actually incurred in the investment plan;
6. the period for which the investment aid is granted;
7. the registered social enterprise's obligation to repay the investment aid amounting to the residual value of the property that the registered social enterprise acquires using the investment aid granted if the registered social enterprise, during the period specified in the contract, goes into liquidation, is declared bankrupt or its restructuring is permitted; the foregoing shall apply to the investment aid under Section 17 Subsection (1)(d);
8. a provision on the minimum wage and other cash benefits associated with an employment relationship, which an enterprise in a wider area of the social economy undertakes to pay its employees throughout the term of the contract;

b) Section 17 Subsection (1)(c) shall contain, in addition to the particulars under (a),

1. conditions, a manner of and timetable for repaying the total conditionally repayable financial contribution or a part thereof;
2. a manner of monitoring and reporting the conditions of repaying the conditionally repayable financial contribution.

(2) The investment aid under Section 17 Subsection (1)(d) and (e) for an integration enterprise must not exceed the amount which is the product of the number of jobs to be created by this aid and the sum of EUR 10,000.

(3) The investment aid under Section 17 Subsection (1)(f) is granted by virtue of a purchase contract or lease agreement under special regulations,<sup>60)</sup> and

a) the purchase contract must contain the following particulars

1. a value of the real property determined by an expert opinion;
2. a purchase price;
3. an agreement on the period during which the buyer shall have the status of a registered social enterprise and which must not be less than 10 years from the date of transfer of the title;
4. an agreement on the establishment of the first option to buy the real property in favour of

the seller for a period of 30 years from the date of transfer of the title, and the purchase price at such first option shall be the same as the purchase price pursuant to the second paragraph; the purchase price at such first option may increase by an amount of demonstrable improvements to the real property made by the buyer upon agreement between the parties thereto;

5. an agreement that, when exercising the first option to buy, the sale shall take place within two months from the date of the agreement on the amount of demonstrable improvements to the real property if the purchase price increases by the amount of amount of demonstrable improvements to the real property under the agreement;
  6. the buyer's obligation to repay to the seller the difference between the price determined by the expert opinion and the purchase price pursuant to the second paragraph if its status of a registered social enterprise is terminated or revoked within the time limit specified in the third paragraph, it goes into liquidation, is declared bankrupt, its restructuring is permitted or the title to the real property is transferred provided that the seller does not exercise the first option to buy or the period for exercising such first option expires;
- b) the lease agreement must contain the following particulars
1. a value of the rent determined by an expert opinion;
  2. a rental price agreed;
  3. term of the rent which must not be more than ten years;
  4. the tenant's obligation not to give any other person the use of the rented property;
  5. the tenant's obligation not to build on the rented property.

(4) The contract under Subsection (3)(a) shall be accompanied by an expert opinion on determining the value of the real property. The agreement under Subsection (3)(b) shall be accompanied by an expert opinion on determining the value of the rent of the real property.

(5) The first option to buy under the fourth paragraph of Subsection (3)(a) shall be entered in the Land Register.

(6) The lease agreement under Subsection (3)(b) shall terminate upon termination or revocation of the tenant's status of a registered social enterprise.

(7) The buyer shall forthwith inform the seller of the fact that the buyer's status of a registered social enterprise has been terminated or revoked within the time limit under the third paragraph of Subsection (3)(a), the buyer has gone into liquidation, has been declared bankrupt or its restructuring has been permitted. The tenant shall forthwith inform the landlord of the fact that the tenant's status of a registered social enterprise has been terminated or revoked.

## **Section 19 Compensatory Aid**

(1) A compensatory aid may be granted to an enterprise in a wider area of the social economy if such enterprise is, as a result of making the positive social impact, disadvantaged compared to the entrepreneurs carrying out a similar activity for the purpose of making a profit.

(2) The compensatory aid may be granted in the form of

- a) a financial instrument;
- b) an aid combined with a financial instrument in one operation under a special regulation;<sup>54)</sup>
- c) a non-repayable financial contribution;
- d) a subsidy.

(3) The provision of the compensatory aid under Subsection (1)(a) to (c) shall be subject to special regulations<sup>59)</sup> unless otherwise provided for herein.

(4) A contract for compensatory aid under Subsection (1)(a) to (c) shall contain, in addition to the particulars required by special regulations,<sup>59)</sup>

- a) the amount of the compensatory aid;
- b) the date and method of granting the compensatory aid;
- c) the total eligible costs;
- d) the period for which the compensatory aid is granted;
- e) a provision on the minimum wage and other cash benefits associated with an employment relationship, which an enterprise in a wider area of the social economy undertakes to pay its employees throughout the term of the contract.

## **Subsidy**

### **Section 20**

(1) A subsidy shall be provided to applicants who have fulfilled the conditions for providing such subsidy under this Act and a special regulation,<sup>61)</sup> in the order depending on the day of receipt of the application for subsidy if the subsidy provider has earmarked funds in its budget for the purpose of support under this Act until such funds are used in full.

(2) A subsidy provider shall be

- a) the Ministry of Labour;
- b) the Central Office of Labour, Social Affairs and Family;
- c) a ministry other than the Ministry of Labour, specifically in the areas where a registered social enterprise makes a positive social impact within the scope of its authority under a special regulation.<sup>62)</sup>

(3) A subsidy may not be provided

- a) for the same eligible costs or the same purpose throughout the term of the contract for subsidy under special regulations;<sup>63)</sup>
- b) if a registered social enterprise carries out the activities for which it applies for a subsidy for the purpose of making a profit (among other purposes).

(4) An application for subsidy shall be submitted upon the call published on the subsidy provider's website on the date, in the form and manner as specified by the subsidy provider in its call.

The application for subsidy shall be accompanied by

- a) an applicant's affidavit that all of the information contained in the application and annexes thereto is true, accurate, and complete, the funds will be used for the purpose for which they are provided, and that the activities for which the applicant applies for a subsidy are not carried out for making a profit;
- b) an investment project or an investment plan if the applicant applies for a subsidy for the preparation of an investment project and if it concerns an investment aid;
- c) a description of the positive social impact the applicant makes and the disadvantages to which it is thereby exposed if it concerns a compensatory aid.

(5) The subsidy provider assesses the application for subsidy and approves providing the subsidy and its amount. For the purpose of assessing the application for subsidy, the subsidy provider shall appoint a committee composed of at least three members. The committee members shall assess the applications independently. The committee members and persons related to them may not be applicants or biased against the applicant, the statutory body

or members of the applicant's statutory body, the partners of a legal entity that is the applicant or the applicant's employees.

(6) If the application for subsidy is incomplete or does not contain annexes under Subsection (4), the subsidy provider shall request the applicant to make such application complete within 15 days of the date of receipt of such request. If the applicant fails to make the application for subsidy complete within the time limit specified in the first sentence, the subsidy provider shall not assess such application.

(7) The subsidy provider shall notify the applicant of the approval of the subsidy and its amount, as well as of the non-approval of the subsidy in writing.

(8) The subsidy is provided by virtue of a contract for subsidy, which shall particularly contain

- a) designation of the parties thereto;
- b) the subject of the contract and the purpose for which the subsidy is provided;
- c) the method of providing the subsidy, the conditions of its use and its amount;
- d) rights and obligations of the parties thereto;
- e) the conditions for settlement of the subsidy and the conditions for its repayment;
- f) the method of checking the economical and efficient use of the subsidy for the purpose it is provided;
- g) specifying the term for which the contract is concluded;
- h) the time limit within which the subsidy may be used and the time limit for its settlement;
- i) if it is an investment aid, the contract shall also contain
  1. a reference number of the decision approving the investment aid, if any;
  2. the intensity of the investment aid;
  3. the title of the investment plan;
  4. the total eligible costs of the investment plan and the amount of the eligible costs actually incurred in the investment plan;
  5. the period for which the investment aid is granted;
  6. the obligation to repay the investment aid amounting to the residual value of the property that the registered social enterprise acquires using the investment aid granted if the registered social enterprise, during the period specified in the contract, goes into liquidation, is declared bankrupt or its restructuring is permitted;
  7. a provision on the minimum wage and other cash benefits associated with an employment relationship, which a registered social enterprise undertakes to pay its employees throughout the term of the contract;
- j) if it is a compensatory aid, the contract shall also contain the amount of the total eligible costs and the period for which the compensatory aid is granted.

(9) Compliance with the conditions for providing a subsidy and with the conditions agreed in the contract for subsidy shall be checked and monitored by the subsidy provider under a special regulation.<sup>64)</sup>

(10) Provision of a subsidy under this Act shall be without prejudice to the provision of subsidies under special regulations.<sup>63)</sup>

## **Section 21**

On its website, the subsidy provider shall publish

- a) the full texts of generally binding legal regulations governing the provision of subsidies within its scope;
- b) the current amount designed for the purpose of providing subsidies to registered social enterprises in the relevant financial year and a projection for the next two years;
- c) a call for applications usually two months prior to the closing date for the submission of applications for subsidy, which shall particularly contain
  - 1. the purpose of providing the subsidy;
  - 2. an electronic form of the application for subsidy;
  - 3. a circle of eligible entities;
  - 4. the available amount of funds;
  - 5. selection criteria and method of assessing applications;
  - 6. a time limit for the procedure for the assessment of applications;
  - 7. composition of the committee under Section 20 Subsection (5);
  - 8. a draft contract for subsidy;
- d) a list of approved applications for subsidy, indicating
  - 1. the programme number and title;
  - 2. the project name;
  - 3. the amount and purpose of the subsidy provided;
  - 4. the date of approval of the application for subsidy;
  - 5. identification of the subsidy recipient, namely
    - 5a. their name and surname in the case of a natural person,
    - 5b. their business name in the case of a legal entity;
- e) a list of unapproved applications for subsidy, indicating the applicant's identification to the extent of the data referred to in the fifth paragraph of (d) and the reason for not approving the application;
- f) evaluation of the results of the subsidies already provided if available to the subsidy provider;
- g) frequently asked questions related to the provision of subsidies.

## **Section 22**

### **Aid to Support Demand**

(1) An aid to support demand is granted through the purchase of a service voucher from a registered social enterprise which has provided

- a) a household and garden care service; or
- b) a service to a natural person who is dependent on the assistance of another natural person according to an opinion on dependence on a social service<sup>8</sup>).

(2) A natural person or legal entity may use a service voucher in consideration of the services provided by a registered social enterprise under Subsection (1). A natural person who has a final decision on dependence on a social service under a special regulation<sup>8</sup>) is entitled to purchase a service voucher for a dependent person, if any.

(3) The purchase price of

- a) a service voucher shall mean its nominal value;
- b) a service voucher for a dependent person shall mean its nominal value reduced by a discount on the nominal value referred to in Subsection (5)(a).

- (4) A registered social enterprise is entitled to repurchase
- a) a service voucher for an amount equal to its nominal value increased by the amount referred to in Subsection (5)(b);
  - b) a service voucher for a dependent person for an amount equal to its nominal value.

(5) A generally binding legal regulation issued by the Ministry of Labour shall provide for

- a) the amount of the discount on the nominal value of a service voucher for a dependent person for the purpose of determining the purchase price of the service voucher under Subsection (3)(b) in relation to a particular service under Subsection (1);
- b) the amount of an increase in the nominal value of a service voucher for the purpose of determining the amount for repurchasing the service voucher under Subsection (4)(a) in relation to a particular service under Subsection (1);
- c) the maximum number of service vouchers for a dependent person that one natural person may purchase for a calendar year, depending on the degree of their dependence.

### **Section 23** **Service Vouchers**

(1) By its nature, a service voucher is a financial instrument that has a nominal value indicated on it.

(2) Service vouchers are issued by the Ministry of Labour. The Ministry of Labour ensures the print, distribution, sale, purchase, repurchase, disposal, and inventory management of service vouchers, supervises their protection and security and monitors handling the service vouchers in their distribution, sale, purchase, repurchase, and disposal.

(3) Service vouchers are issued at a nominal value of ten euros.

(4) Service vouchers may only be sold, purchased, and repurchased by state authorities, municipalities, or higher territorial units. Unused service vouchers are repurchased at a purchase price under Section 22 Subsection (3).

(5) Validity of a service voucher may be limited in time, by territory or a person for whom it is designed.

(6) Upon a written request, damaged service vouchers are exchanged by the Ministry of Labour for service vouchers of the same nominal value.

(7) Service vouchers are purchased upon a written request from a registered social enterprise. A registered social enterprise requesting the purchase of service vouchers shall indicate in its request its identification data, what particular services have been provided for the respective service vouchers, the number of service vouchers, including the number of service vouchers for a dependent person, and the total amount of purchased service vouchers. The amount for which service vouchers are purchased may be paid only after verification of their authenticity and validity. Unless the Ministry of Labour purchases service vouchers, a person who purchases the service vouchers is obliged to hand them over to the Ministry of Labour no later than the end of the calendar quarter in which the service vouchers were purchased.

(8) The Ministry of Labour ensures the disposal of the service vouchers purchased, damaged and the service vouchers that are invalid or the authenticity of which could not be verified.

(9) The technical parameters, graphic layout and design of service vouchers as well as details

about the manner of their use and how to handle them shall be provided for by a generally binding legal regulation issued by the Ministry of Labour.

## **Section 24**

### **Obligations and Restrictions of a Registered Social Enterprise in Providing Support**

(1) A registered social enterprise which has been granted an aid in the form of a subsidy, a conditionally repayable financial contribution, a non-repayable financial contribution or an aid to support demand, or which has been provided other non-repayable public funds under special regulations,<sup>65)</sup> shall comply with the obligations and restrictions imposed by Subsections (2) to (12) throughout the term of the contract for aid, for one year from the date of granting the aid or public funds provided on a one-time basis, or during the period of providing public funds provided repeatedly.

(2) A registered social enterprise may not form a single enterprise under a special regulation<sup>66)</sup> with legal entities which are not registered social enterprises.

(3) The total wage costs and other cash benefits associated with an employment relationship (hereinafter referred to as the “wage costs”) of a registered social enterprise in a calendar year must not exceed the product of five times the wage costs when using the minimum wage multiplied by the number of employees and at the same time, the product of three times the wage costs when using the average wage of an employee in the Slovak economy published by the Statistical Office of the Slovak Republic for the previous calendar year multiplied by the number of employees, where the amount of the highest wage may be no more than five times the amount of the lowest wage. Upon the request of a registered social enterprise, the Ministry of Labour may authorise an increase in the amount of the highest wage under the first sentence to ten times the amount of the lowest wage. Any costs other than the wage costs of a registered social enterprise must not exceed the normal market price; the normal market price shall mean the price normally used in the place and at the time of performance or consumption, depending on the type, quality or extent of wear and tear of the performance in question, as the case may be.

(4) A registered social enterprise shall pay its employees at least the amount it is obliged to pay in providing services, or the amount of public funds under special regulations.<sup>65)</sup>

(5) A registered social enterprise which is not registered in the Register of Public Sector Partners<sup>67)</sup> and does not use 100 % of the after-tax profit to make its positive social impact is obliged to notify the Ministry of Labour in writing of a list of beneficial owners, indicating their name, surname, permanent residence, date of birth, nationality, and whether the beneficial owner is an official holding public office and carrying out official duties in the Slovak Republic.<sup>68)</sup>

(6) A registered social enterprise may not deliver the goods or provide the services to a dependent person who is not a registered social enterprise; the foregoing shall not apply if it is

- a) an integration enterprise in which a municipality or a higher territorial unit has an interest of more than 50 %; or
- b) a registered social enterprise which is not an integration enterprise and in which only a municipality or a higher territorial unit has an interest, and the goods or the services are not delivered or provided to fulfil the statutory self-governing competence of the municipality or the higher territorial unit.

(7) A registered social enterprise may not purchase the goods or services from a dependent person which is a legal person; the foregoing shall not apply if it concerns

- a) tenancy or subtenancy provided for no more than the normal market price between the landlord and other tenants and subtenants;
- b) a registered social enterprise in which a municipality or a higher territorial unit has an interest of more than 50 %.

(8) If a registered social enterprise purchases the goods or services from a dependent person who is a natural person, over the 12 consecutive calendar months the total costs of such goods or services may not exceed the highest wage in the registered social enterprise over the same period.

(9) A registered social enterprise may not take out credit or a loan from a dependent person, under which the interest exceeds the base interest rate under a special regulation.<sup>69)</sup>

(10) A registered social enterprise may not transfer the property<sup>70)</sup> which has been acquired from a subsidy or a non-repayable part of a conditionally repayable financial contribution, and which has not been removed from the business property; the foregoing shall not apply if it is a transfer of the property to any other registered social enterprise. If a registered social enterprise transfers the property acquired from a subsidy or a non-repayable part of a conditionally repayable financial contribution to any other registered social enterprise, it shall repay to the provider of the subsidy or the non-repayable part of the conditionally repayable financial contribution an amount equal to the residual price of the property, but no more than the amount corresponding to the subsidy or the non-repayable part of the conditionally repayable financial contribution provided.

(11) A registered social enterprise may not remove from the business property the property which has been acquired from the support or public funds under special regulations<sup>65)</sup> and has a non-zero residual value without the prior written consent of the support provider.

(12) Unless it concerns the fulfilment of the condition under Section 17 Subsection (3), a registered social enterprise may not receive public funds under special regulations<sup>65)</sup> for the same eligible costs or the same purpose for which it receives support in the form of a subsidy, a non-repayable financial contribution or a conditionally repayable financial contribution.

## **PART FOUR PUBLIC ADMINISTRATION IN THE SOCIAL ECONOMY**

### **Section 25**

- (1) In the field of state administration of the social economy, the Ministry of Labour shall
- a) grant and revoke the status of a registered social enterprise;
  - b) grant and revoke the status of an umbrella organisation of the social economy and the highest umbrella organisation of the social economy;
  - c) impose fines under Section 28;
  - d) maintains a register of registered social enterprises (hereinafter referred to as the “Register of Social Enterprises”);
  - e) keep a list of social economy organisations and publish such list on its website;
  - f) check and monitor compliance with the obligations under this Act;
  - g) evaluate the annual reports of a registered social enterprise;
  - h) provide free advisory services in preparing the project of a registered social enterprise’s activity, preparing an application for investment or compensatory aid, and free advisory services on other support options under this Act or special regulations,<sup>65)</sup>
  - i) ensure the creation, collection, processing, dissemination, disclosure and publication of information, statistical data and analyses in the social economy;
  - j) issue methodological guidance on the application of this Act and special regulations within the scope of its competence, relating to the social economy and social enterprises and provide education in this field.

(2) Checking and monitoring under Section (1)(f) shall be subject to the basic checking and monitoring rules under a special regulation,<sup>71)</sup> which is without prejudice

to the provision of Section 20 Subsection (9).

(3) The advisory services under Subsection (1)(h) shall be provided by the Ministry of Labour so that they are available at least in each regional city.

## **Section 26**

### **Social Economy Organisation**

(1) A social economy organisation is an umbrella organisation of the social economy and the highest umbrella organisation of the social economy.

(2) The Ministry of Labour shall grant the status of an umbrella organisation of the social economy on the basis of a written application submitted by a legal entity that joins together social economy entities making a measurable positive social impact by providing the same socially beneficial service if

- a) its members include at least 30 % of registered social enterprises making a measurable positive social impact by providing the same socially beneficial service or the total number of employees of its members accounts for at least 30 % of the total number of employees of registered social enterprises making a measurable positive social impact by providing the same socially beneficial service;
- b) registered social enterprises account for at least 50 % of its members;
- c) one of its objectives enshrined in the basic document is to represent registered social enterprises;
- d) its status of an umbrella organisation of the social economy has not been revoked during the five years prior to submitting the application.

(3) The Ministry of Labour shall grant the status of the highest umbrella organisation of the social economy on the basis of a written application submitted by a legal entity if

- a) it joins together more than 50 % of umbrella organisations of the social economy, which join together at least 30 % of all registered social enterprises;
- b) its status of the highest umbrella organisation of the social economy has not been revoked during the five years prior to submitting the application.

(4) If the applicant fulfils the condition under Subsection (2)(a) as at the date of submitting the application, such condition shall be deemed fulfilled for the purpose of granting the status of an umbrella organisation of the social economy even if the applicant ceases to fulfil such condition in the course of the procedure for granting the status of an umbrella organisation of the social economy.

(5) Granting the status of an umbrella organisation of the social economy or the highest umbrella organisation of the social economy shall be indicated in the file, without making the decision in writing. The Ministry of Labour shall deliver a certificate of granting the status of an umbrella organisation of the social economy or a certificate of granting the status of the highest umbrella organisation of the social economy to the umbrella organisation of the social economy or the highest umbrella organisation of the social economy.

(6) The Ministry of Labour shall revoke the status of a social economy organisation if

- a) the social economy organisation ceases to fulfil any of the conditions under Subsection (2) or Subsection (3); the Ministry of Labour shall revoke the status of a social economy organisation due to non-fulfilment of the condition under Subsection (2)(a) or Subsection (3)(a) only if the social economy organisation has failed to fulfil such condition continuously for at least 12 consecutive calendar months;
- b) more than 20 % of applicants for the status of a registered social enterprise to whom

the social economy organisation has issued a certificate under Subsection (7) on fulfilment of the conditions under Section 6 Subsection (1)(a) and (e) fail to fulfil such conditions or their status of a social enterprise has been revoked due to a breach of such conditions;

- c) the social economy organisation issued the applicant for the status of a registered social enterprise with a certificate under Subsection (7) on fulfilment of the conditions under Section 6 Subsection (1)(a) and (e) although it knew that such applicant has failed to fulfil the said conditions.

(7) A social economy organisation may, upon request, issue the applicant for the status of a registered social enterprise with a certificate stating that such applicant fulfils the conditions under Section 6 Subsection (1)(a) and (e) provided that such applicant fulfils the said conditions. A social economy organisation may request the applicant to pay a consideration in the amount agreed for the issue of the certificate under the first sentence.

(8) The certificate under Subsection (7) may be issued by an umbrella organisation of the social economy only if the highest umbrella organisation of the social economy is not established.

(9) The Ministry of Labour or other central state authority may provide a social economy organisation with a contribution to support its non-economic activity under specialised programmes and in accordance with the conditions for providing public funds.

## **Section 27**

### **Register of Social Enterprises**

(1) The Register of Social Enterprises is a public list of data on registered social enterprises maintained by the Ministry of Labour.

(2) The following data are entered in the Register of Social Enterprises:

- a) business name, address of the establishment, if any; and
1. registered office in the case of a legal entity;
  2. name, surname, place of residence, date of birth, national identification number, and place of business in the case of a natural person – entrepreneur being an employer;
- b) Organisation ID;
- c) scope of business or activity;
- d) measurable positive social impact;
- e) a percentage of the profit that a registered social enterprise undertakes to use to make a positive social impact;
- f) legal form;
- g) name, surname, place of residence, date of birth and national identification number of a natural person who is a statutory body or a member of the statutory body, indicating the manner in which such natural person acts on behalf of the registered social enterprise, including the date of commencement of the post and the date of its termination after it ends;
- h) beneficial owner.

(3) Any change in or termination of recorded facts shall also be entered in the Register of Social Enterprises without undue delay. If there is a change in the data under Subsection (2)(d) and (e) and in the address of the establishment which is not incorporated in a statutory register, a registered social enterprise shall notify the Ministry of Labour in writing of the change within ten days of the date of such change. The Ministry of Labour shall make a change to the entry of the data under Subsection (2)(a) to (c) and (f) to (h) out of official duty; a special regulation<sup>72)</sup> shall, *mutatis mutandis*, apply to the procedure for obtaining the data changed. The Ministry of Labour shall enter the data under Subsection (2)(h) upon the notice under Section 24 Subsection (5).

(4) For information purposes, the Ministry of Labour shall publish data from the Register of Social Enterprises other than national identification number on its website.

(5) The Ministry of Labour shall provide data from the Register of Social Enterprises in electronic form, in an automated manner, free of charge and within the scope of performance of the duties under special regulations to state authorities, courts, municipalities and higher territorial units and other public authorities, natural persons and legal entities entrusted with the performance of the duties under special regulations by another Member State or other state if so provided for in an international treaty by which the Slovak Republic is bound.

## **Section 28**

### **Fines**

(1) The Ministry of Labour shall impose a fine of EUR 1,000 to EUR 10,000 on a registered social enterprise for

- a) a breach of the prohibition under Section 8 Subsection (4);
- b) a repeated violation of the rules under Section 9 Subsection (1);
- c) performance of the activity, for which the support has been provided, contrary to Section 16 Subsection (2);
- d) a breach of the obligation under Section 24 Subsection (1).

(2) The Ministry of Labour shall impose a fine of up to EUR 1,000 on a registered social enterprise for

- a) a failure to notify the change under Section 7 Subsection (6) the second sentence;
- b) a failure to save the annual report under Section 15 Subsection (3).

(3) The Ministry of Labour shall impose a fine of EUR 1,000 to EUR 10,000 on a social economy organisation if it issues a certificate under Section 26 Subsection (7) in contradiction to the actual state it knew or needed to know.

(4) The Ministry of Labour shall impose a fine of EUR 100 to EUR 1,000 on a person which is not a registered social enterprise and uses the designation “registered social enterprise” or the abbreviation “r. s. p.” in carrying out its activity or in connection with its name.

(5) The Ministry of Labour may impose a fine of EUR 100 to EUR 1,000 on a registered social enterprise for a breach of its obligations under this Act not stipulated in Subsection (1) or Subsection (2).

(6) The said fine may be imposed within two years from the date of ascertaining such breach, but no later than three years from the date of such breach.

(7) When imposing a fine, the Ministry of Labour takes into account, including without limitation, the nature, gravity, manner and consequences of the breach of the obligations, as well as the repeated ascertainment of the same deficiency. The imposition of a fine may be waived if hearing the administrative tort is sufficient to remedy the unlawful situation, taking into account the circumstances under the first sentence.

(8) A fine may not be imposed if any other authority authorised to carry out an inspection under a special regulation has imposed a fine for the same breach on the entity inspected.

(9) The fines are state budget revenues.

**PART FIVE**  
**COMMON AND TRANSITIONAL PROVISIONS**

**Section 29**

(1) A procedure under this Act shall not be subject to the Administrative Procedure Act, except for the procedure under Section 25 Subsection (1)(a) to (c).

(2) On its website, the Ministry of Labour shall publish

- a) sample basic documents for the purposes of the procedure for granting the status of a registered social enterprise;
- b) a sample application form for the status of a registered social enterprise;
- c) a sample application form for investment aid or compensatory aid in the form of a subsidy.

**Section 30**

(1) On or after 1 January 2020, the designation and the abbreviation under Section 7 Subsection (7) shall be entered in the register or other records by which, if incorporated therein, a legal entity is established.

(2) Until 31 December 2020, a social enterprise which is not a registered social enterprise may be provided with an investment aid in the form under Section 17 Subsection (1)(d). The condition for obtaining the investment aid under the first sentence is the approval of the investment aid in the form under Section 17 Subsection (1)(a), amounting to at least 20 % of the total costs of the investment plan or other form of financing which is associated with the obligation to repay the funds provided, amounting to at least 10 % of the total costs of the investment plan for the same purpose of using the investment aid.

**Art. II**

Act No. 513/1991 Coll., the Commercial Code, as amended by Act No. 264/1992 Coll., Act No. 600/1992 Coll., Act of the National Council of the Slovak Republic No. 278/1993 Coll., Act of the National Council of the Slovak Republic No. 249/1994 Coll., Act of the National Council of the Slovak Republic No. 106/1995 Coll., Act of the National Council of the Slovak Republic No. 171/1995 Coll., Act of the National Council of the Slovak Republic No. 58/1996 Coll., Act of the National Council of the Slovak Republic No. 317/1996 Coll., Act of the National Council of the Slovak Republic No. 373/1996 Coll., Act No. 11/1998 Coll., Act No. 127/1999 Coll., Act No. 263/1999 Coll., Act No. 238/2000 Coll., Act No. 147/2001 Coll., Act No. 500/2001 Coll., Act No. 426/2002 Coll., Act No. 510/2002 Coll., Act No. 526/2002 Coll., Act No. 530/2003 Coll., Act No. 432/2004 Coll., Act No. 315/2005 Coll., Act No. 19/2007 Coll., Act No. 84/2007 Coll., Act No. 657/2007 Coll., Act No. 659/2007 Coll., Act No. 429/2008 Coll., Act No. 454/2008 Coll., Act No. 477/2008 Coll., Act No. 276/2009 Coll., Act No. 487/2009 Coll., Act No. 492/2009 Coll., Act No. 546/2010 Coll., Act No. 193/2011 Coll., Act No. 547/2011 Coll., Act No. 197/2012 Coll., Act No. 246/2012 Coll., Act No. 440/2012 Coll., Act No. 9/2013 Coll., Act No. 352/2013 Coll., Act No. 357/2013 Coll., Act No. 87/2015 Coll., Act No. 117/2015 Coll., Act No. 172/2015 Coll., Act No. 361/2015 Coll., Act No. 389/2015 Coll., Act No. 125/2016 Coll., and Act No. 264/2017 Coll. is amended as follows:

The words: “or for the purpose of making a measurable positive social impact if it concerns the economic activity of a registered social enterprise under a separate regulation” are added to the end of Section 2 Subsection (1).

### **Art. III**

The Act of the Slovak National Council No. 138/1991 Coll. on the Property of Municipalities as amended by Act of the Slovak National Council No. 306/1992 Coll., Act of the National Council of the Slovak Republic No. 43/1993 Coll., Act of the National Council of the Slovak Republic No. 278/1993 Coll., Act of the National Council of the Slovak Republic No. 245/1994 Coll., Act of the National Council of the Slovak Republic No. 147/1995 Coll., Finding of the Constitutional Court of the Slovak Republic No. 130/1996 Coll., Act No. 447/2001 Coll., Act No. 522/2003 Coll., Act No. 12/2004 Coll., Act No. 445/2004 Coll., Act No. 535/2008 Coll., Act No. 258/2009 Coll., Act No. 507/2010 Coll., Act No. 125/2016 Coll., and Act No. 315/2016 Coll. is amended as follows:

1. Section 9a Subsection (8) is amended by paragraph (f) which reads as follows:

“(f) in the event of transfer of the immovable property of a municipality into the ownership of a registered social enterprise as the form of an investment aid.<sup>22fa)</sup>”.

The footnote to reference 22fa reads as follows:

“<sup>22fa)</sup> Section 17 Subsection (1)(f) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.”.

2. Section 9a Subsection (9) is amended by paragraph (d) which reads as follows:

“(d) rent of the immovable property of a municipality to a registered social enterprise as the form of an investment aid.<sup>22fa)</sup>”.

### **Art. IV**

Act No. 455/1991 Coll. on Trade Licensing (Trade Licensing Act) as amended by Act No. 231/1992 Coll., Act No. 600/1992 Coll., Act of the National Council of the Slovak Republic No. 132/1994 Coll.,

Act of the National Council of the Slovak Republic No. 200/1995 Coll., Act of the National Council of the Slovak Republic No. 216/1995 Coll., Act of the National Council of the Slovak Republic No. 233/1995 Coll.,

Act of the National Council of the Slovak Republic No. 123/1996 Coll., Act of the National Council of the Slovak Republic No. 164/1996 Coll., Act of the National Council of the Slovak Republic No. 222/1996 Coll.,

Act of the National Council of the Slovak Republic No. 289/1996 Coll., Act of the National Council of the Slovak Republic No. 290/1996 Coll., Act No. 288/1997 Coll., Act No. 379/1997 Coll., Act No. 70/1998 Coll., Act No. 76/1998 Coll., Act no. Act No. 126/1998 Coll., Act No. 129/1998 Coll., Act No. 140/1998 Coll., Act No. 143/1998 Coll., Act No. 144/1998 Coll., Act No. 161/1998 Coll., Act No. 178/1998 Coll., Act No. 179/1998 Coll., Act No. 194/1998 Coll., Act No. 263/1999 Coll., Act No. 264/1999 Coll., Act No. 119/2000 Coll., Act No. 142/2000 Coll., Act No. 236/2000 Coll., Act No. 238/2000 Coll., Act No. 268/2000 Coll., Act No. 338/2000 Coll., Act No. 223/2001 Coll., Act No. 279/2001 Coll., Act No. 488/2001 Coll., Act No. 554/2001 Coll., Act No. 261/2002 Coll., Act No. 284/2002 Coll., Act No. 506/2002 Coll., Act No. 190/2003 Coll., Act No. 219/2003 Coll., Act No. 245/2003 Coll., Act No. 423/2003 Coll., Act No. 515/2003 Coll., Act No. 586/2003 Coll., Act No. 602/2003 Coll., Act No. 347/2004 Coll., Act No. 350/2004 Coll., Act No. 365/2004 Coll., Act No. 420/2004 Coll., Act No. 533/2004 Coll., Act No. 544/2004 Coll., Act No. 578/2004 Coll., Act No. 624/2004 Coll., Act No. 650/2004 Coll., Act No. 656/2004 Coll., Act No. 725/2004 Coll., Act No. 8/2005 Coll., Act No. 93/2005 Coll., Act No. 331/2005 Coll., Act No. 340/2005 Coll., Act No. 351/2005 Coll., Act No. 470/2005 Coll., Act No. 473/2005 Coll., Act No. 491/2005 Coll., Act No. 555/2005 Coll., Act No. 567/2005 Coll., Act No. 124/2006 Coll., Act No. Act No. 126/2006 Coll., Act No. 17/2007 Coll., Act No. 99/2007 Coll., Act No. 193/2007 Coll., Act No. 218/2007 Coll., Act No. 358/2007 Coll., Act No. 577/2007 Coll., Act No. 112/2008 Coll., Act No. 445/2008 Coll., Act No. 448/2008 Coll., Act No. 186/2009 Coll., Act No. 492/2009 Coll., Act No. 568/2009 Coll., Act No. 129/2010 Coll., Act No. 136/2010 Coll., Act No. 556/2010 Coll., Act No. 249/2011 Coll., Act No. 324/2011 Coll., Act No. 362/2011 Coll., Act No. 392/2011 Coll., Act No. 395/2011 Coll., Act No. 251/2012 Coll., Act No. 314/2012 Coll., Act No. 321/2012 Coll.,

Act No. 351/2012 Coll., Act No. 447/2012 Coll., Act No. 39/2013 Coll., Act No. 94/2013 Coll., Act No. 95/2013 Coll., Act No. 180/2013 Coll., Act No. 218/2013 Coll., Act No. 1/2014 Coll., Act No. 35/2014 Coll., Act No. 58/2014 Coll., Act No. 182/2014 Coll., Act No. 204/2014 Coll., Act No. 219/2014 Coll., Act No. 321/2014 Coll., Act No. 333/2014 Coll., Act No. 399/2014 Coll., Act No. 77/2015 Coll., Act No. 79/2015 Coll., Act No. 128/2015 Coll., Act No. 266/2015 Coll., Act No. 272/2015 Coll., Act No. 274/2015 Coll., Act No. 278/2015 Coll., Act No. 331/2015 Coll., Act No. 348/2015 Coll., Act No. 387/2015 Coll., Act No. 412/2015 Coll., Act No. 440/2015 Coll., Act No. 89/2016 Coll., Act No. 91/2016 Coll., Act No. 125/2016 Coll., Act No. 276/2017 Coll., Act No. 289/2017 Coll., Act No. 292/2017 Coll., Act No. 56/2018 Coll., Act No. 87/2018 Coll., and Act No. 106/2018 Coll. is amended as follows:

In Section 2, the word “a profit” is added and followed by the wording “or for the purpose of making a measurable positive social impact in the case of an economic activity of a registered social enterprise under a special regulation,<sup>1a)</sup>”.

The footnote to reference 1a reads as follows:

“<sup>1a)</sup> Section 5 Subsection (2) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.”.

## **Art. V**

Act of the National Council of the Slovak Republic No. 278/1993 Coll. on the Administration of State Property as amended by Act of the National Council of the Slovak Republic No. 222/1996 Coll., Act of the National Council of the Slovak Republic No. 374/1996 Coll., Act No. 72/1999 Coll., Act No. 121/2001 Coll., Act No. 509/2001 Coll., Act No. 64/2002 Coll., Act No. 435/2002 Coll., Act No. 161/2003 Coll., Act No. 512/2003 Coll., Act No. 618/2004 Coll., Act No. 534/2005 Coll., Act no. 277/2007 Coll., Act No. 325/2007 Coll., Act No. 165/2008 Coll., Act No. 245/2008 Coll., Act No. 510/2010 Coll., Act No. 547/2011 Coll., Act No. 217/2012 Coll., Act No. 345/2012 Coll., Act No. 135/2013 Coll., Act No. 324/2014 Coll., Act No. 374/2014 Coll., Act No. 392/2015 Coll., Act No. 125/2016 Coll., Act No. 301/2016 Coll., and Act No. 315/2016 Coll. is amended as follows:

1. Section 8e is amended by paragraph (f) which reads as follows:

“(f) the state immovable property into the ownership of a registered social enterprise as a form of an investment aid under a special regulation.<sup>14b)</sup>”.

The footnote to reference 14b reads as follows:

“<sup>14b)</sup> Section 17 Subsection (1)(f) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.”.

2. Section 11 Subsection (2) is amended by paragraph (c) which reads as follows:

“(c) a registered social enterprise under Section 8e (f).”.

3. Section 13 Subsection (6) is amended by paragraph (g) which reads as follows:

“(g) a registered social enterprise and it concerns an investment aid form under a special regulation.<sup>14b)</sup>”.

## **Art. VI**

Act of the National Council of the Slovak Republic No. 152/1994 Coll. on the Social Fund and on Alterations and Amendments to Act No. 286/1992 Coll. on Income Taxes as amended by Act of the National Council of the Slovak Republic No. 280/1995 Coll., Act of the National Council of the Slovak Republic No. 375/1996 Coll., Act No. 313/2005 Coll., Act No. 591/2007 Coll., and Act No. 474/2008 Coll. is altered and amended as follows:

In Section 7 Subsection (1), paragraph (g) is added and followed by a new paragraph (h) which reads as follows:

“(h) service vouchers<sup>7a)</sup> or the goods and services delivered or provided by a registered social enterprise;<sup>7b)</sup>”.

The previous paragraph (h) is now designated as paragraph (i).

The footnotes to references 7a and 7b read as follows:

<sup>7a)</sup> Section 23 of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.

<sup>7b)</sup> Section 5 Subsection (2) of Act No. 112/2018 Coll.”.

## **Art. VII**

Act No. 147/1997 Coll. on Non-investment Funds and on Amendments to Act of the National Council of the Slovak Republic No. 207/1996 Coll. as amended by Act No. 335/2007 Coll., Act No. 445/2008 Coll., Act No. 547/2011 Coll., Act No. 352/2013 Coll., Act No. 162/2014 Coll., Act No. 272/2015 Coll., Act No. 91/2016 Coll., and Act No. 52/2018 Coll. is altered and amended as follows:

1. In Section 21 Subsection (4), the word “performed” is added and followed by the word “statutory”.
2. Section 24 Subsection (2) reads as follows:

“(2) The Fund is required to have the financial statements and the annual report verified by a statutory auditor<sup>8a)</sup> if

- a) the receipt<sup>8b)</sup> of public funds and portions of the tax paid in the accounting period for which the financial statements are prepared exceeds EUR 200,000; or
- b) all receipts of the fund in the accounting period for which the financial statements are prepared exceed EUR 500,000, which is without prejudice to the obligation to verify the financial statements under a special regulation.<sup>8c)</sup>”.

The footnotes to references 8a to 8c read as follows:

<sup>8a)</sup> Act No. 423/2015 Coll. on Statutory Audit and on Alterations and Amendments to Act No. 431/2002 Coll. on Accounting as amended by Act No. 91/2016 Coll.

<sup>8b)</sup> Section 2 Subsection (4)(f) of Act No. 431/2002 Coll. on Accounting.

<sup>8c)</sup> Section 19 Subsection (4) of Act No. 431/2002 Coll. as amended.”.

3. In Section 24 Subsection (3), the word “verified” is added and followed by the words “a statutory” and the word “April” is replaced by the word “July”.
4. In Section 25 Subsection (1), the words “31 March” are replaced by the words “30 June”.
5. In Section 25 Subsection (2)(b), the words “the opinion” are added and followed by the words “of a statutory” and the word “verification” is added and followed by the words “by a statutory”.
6. In Section 25 Subsection (3), the word “April” is replaced by the word “July”.
7. Section 31 is added and followed by Section 32 which, including the heading, reads as follows:

### **“Section 32**

#### **Transitional Provisions for Amendments Effective as of 1 May 2018**

(1) The provision of Section 24 Subsection (2) in the wording effective as of 1 May 2018 shall first apply to the verification of the financial statements and the annual report prepared as at 31 December 2018.

(2) The provision of Section 24 Subsection (3) in the wording effective as of 1 May 2018 shall first apply to saving the annual financial statements for the accounting period of 2018.

(3) The provisions of Section 25 Subsections (1) and (3) in the wording effective as of 1 May 2018 shall first apply to the preparation of the annual report for the calendar year 2018 and to saving such report in the Register of Financial Statements.”.

## **Art. VIII**

Act No. 213/1997 Coll. on Non-profit Organisations Providing Services of General Interest as amended by Act No. 35/2002 Coll., Act No. 335/2007 Coll., Act No. 445/2008 Coll., Act No. 8/2010 Coll., Act No. 547/2011 Coll., Act No. 5/2012 Coll., Act No. 352/2013 Coll., Act No. 272/2015 Coll. Act No. 354/2015 Coll., Act No. 91/2016 Coll., Act No. 4/2018 Coll., and Act No. 52/2018 Coll. is altered and amended as follows:

1. Section 15 Subsection (3)(f) reads as follows:

“(f) a non-profit organisation fails to save the annual report in the public section of the Register of Financial Statements within the time limit specified in the decision imposing a fine under Section 34a Subsection (3).<sup>4)</sup>”.

2. Section 33 Subsection (3) reads as follows:

„(3) A non-profit organisation shall have the financial statements and the annual report verified by a statutory auditor<sup>12a)</sup> if

- a) the receipt<sup>12b)</sup> of public funds and portions of the tax paid in the accounting period for which the financial statements are prepared exceeds EUR 200,000; or
- b) all receipts of a non-profit organisation in the accounting period for which the financial statements are prepared exceed EUR 500,000, which is without prejudice to the obligation to verify the financial statements under a special regulation.<sup>12c)</sup>“.

The footnotes to references 12a to 12c read as follows:

<sup>12a)</sup> Act No. 423/2015 Coll. on Statutory Audit and on Alterations and Amendments to Act No. 431/2002 Coll. on Accounting as amended by Act No. 91/2016 Coll.

<sup>12b)</sup> Section 2 Subsection (4)(f) of Act No. 431/2002 Coll.

<sup>12c)</sup> Section 19 Subsection (4) of Act No. 431/2002 Coll. as amended.”.

3. In Section 33 Subsection (4), the word “verified” is added and followed by the words “a statutory” and the word “April” is replaced by the word “July”.
4. In Section 34 Subsection (2)(c), the words “the opinion” are added and followed by the words “of a statutory” and the words “such financial statements” are added and followed by the words “by a statutory”.
5. Section 34 is added and followed by Section 34a which, including the heading, reads as follows:

### **“Section 34a Fines**

(1) If a non-profit organisation fails to save the annual report in the public section of the Register of Financial Statements under Section 34 Subsection (3), the Registration Office shall impose a fine of up to EUR 1,000 on such non-profit organisation for a breach of the said obligation. In determining the amount of the fine, the Registration Office shall take into account the gravity, duration and consequences of an illegal action and, where appropriate, repeated non-fulfilment or breach of the obligations provided for by, or by virtue of, this Act.

(2) The fine shall be due and payable within 30 days of the effective date of the final decision imposing the fine. The fine is part of state budget revenues.

(3) In the decision imposing the fine, the Registration Office shall set a reasonable time limit for saving the annual report in the public section of the Register of Financial Statements, which shall not be less than 30 days.

(4) The procedure for imposing the fine shall be subject to the provisions of the Administrative Procedure Act”.

6. Section 37aa is added and followed by Section 37ab which, including the heading, reads as follows:

**“Section 37ab  
Transitional Provisions for Amendments Effective as of 1 May 2018**

(1) The provision of Section 33 Subsection (3) in the wording effective as of 1 May 2018 shall first apply to the verification of the financial statements and the annual report prepared as at 31 December 2018.

(2) The provision of Section 33 Subsection (4) in the wording effective as of 1 May 2018 shall first apply to saving the annual financial statements for the accounting period of 2018.”.

**Art. IX**

Act No. 446/2001 Coll. on the Property of Higher Territorial Units as amended by Act No. 521/2003 Coll., Act No. 540/2005 Coll., Act No. 279/2006 Coll., Act No. 258/2009 Coll., Act No. 509/2010 Coll., Act No. 125/2016 Coll., and Act No. 315/2016 Coll. is amended as follows:

1. Section 9a Subsection (8) is amended by paragraph (f) which reads as follows:

“(f) in the event of transfer of the immovable property of a higher territorial unit into the ownership of a registered social enterprise as the form of an investment aid.<sup>19fa)</sup>”.

The footnote to reference 19fa reads as follows:

“<sup>19fa)</sup> Section 17 Subsection (1)(f) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.”.

2. Section 9a Subsection (9) is supplemented by paragraph (d) which reads as follows:

“(d) rent of the immovable property of a higher territorial unit to a registered social enterprise as the form of an investment aid.<sup>19fa)</sup>”.

**Art. X**

Act No. 575/2001 Coll. on Organisation of the Government Activities and Organisation of the Central State Administration as amended by Act No. 143/2002 Coll., Act No. 411/2002 Coll., Act No. 465/2002 Coll., Act No. 139/2003 Coll., Act No. 453/2003 Coll., Act No. 523/2003 Coll., Act No. 215/2004 Coll., Act No. 351/2004 Coll., Act No. 405/2004 Coll., Act No. 585/2004 Coll., Act No. 654/2004 Coll., Act No. 78/2005 Coll., Act No. 172/2005 Coll., Act No. 474/2005 Coll., Act No. 231/2006 Coll., Act No. 678/2006 Coll., Act No. 103/2007 Coll., Act No. 218/2007 Coll., Act No. 456/2007 Coll., Act No. 568/2007 Coll., Act No. 617/2007 Coll., Act No. 165/2008 Coll., Act No. 408/2008 Coll., Act No. 583/2008 Coll., Act No. 70/2009 Coll., Act No. 165/2009 Coll., Act No. 400/2009 Coll., Act No. 403/2009 Coll., Act No. 505/2009 Coll., Act No. 557/2009 Coll., Act No. 570/2009 Coll., Act No. 37/2010 Coll., Act No. 372/2010 Coll., 403/2010 Coll., Act No. 547/2010 Coll., Act No. 392/2011 Coll., Act No. 287/2012 Coll., Act No. 60/2013 Coll., Act No. 311/2013 Coll., Act No. 313/2013 Coll., Act No. 335/2014 Coll., Act No. 172/2015 Coll., Act No. 339/2015 Coll., Act No. 358/2015 Coll., Act No. 392/2015 Coll., Act No. 171/2016 Coll., Act No. 272/2016 Coll., Act No. 378/2016 Coll., Act No. 138/2017 Coll., and Act No. 238/2017 Coll. is amended as follows:

1. Section 15 Subsection (1) is amended by paragraph (i) which reads as follows:

“(i) the social economy.”.

2. Section 22 is amended by Subsection (8) which reads as follows:

“(8) At the time of his/her absence, the Head of the Office of the Government of the Slovak Republic shall be represented, within the scope of his/her rights and duties, by a deputy or a subordinate civil servant<sup>1cc)</sup> designated by the Head. The deputy or the civil servant designated may also be authorised by the Head of the Office of the Government of the Slovak Republic in other cases to represent him/her within the scope of his/her rights and duties. The Deputy Head of the Office of the Government of the Slovak Republic shall be appointed and dismissed by the Head of the Office of the Government of the Slovak Republic.”.

The footnote to reference 1cc reads as follows:

“<sup>1cc)</sup> Section 7 of Act No. 55/2017 Coll. on the Civil Service and on Alterations and Amendments to Certain Laws.”.

## **Art. XI**

Act No. 34/2002 Coll. on Foundations and on Alterations to the Civil Code as amended by Act No. 445/2008 Coll., Act No. 478/2009 Coll., Act No. 352/2013 Coll., Act No. 463/2013 Coll., Act No. 272/2015 Coll., Act No. 91/2016 Coll., Act No. 125/2016 Coll., Act No. 279/2017 Coll., and Act No. 52/2018 Coll. is altered and amended as follows:

1. Section 34 Subsection (3) reads as follows:

“(3) A foundation shall have the financial statements and the annual report verified by a statutory auditor<sup>6a)</sup> if

- a) the receipt<sup>6b)</sup> of public funds and portions of the tax paid in the accounting period for which the financial statements are prepared exceeds EUR 200,000; or
- b) all receipts of the foundation in the accounting period for which the financial statements are prepared exceed EUR 500,000, which is without prejudice to the obligation to verify the financial statements under a special regulation.<sup>6c)</sup>”.

The footnotes to references 6a to 6c read as follows:

<sup>6a)</sup> Act No. 423/2015 Coll. on Statutory Audit and on Alterations and Amendments to Act No. 431/2002 Coll. on Accounting as amended by Act No. 91/2016 Coll.

<sup>6b)</sup> Section 2 Subsection (4)(f) of Act No. 431/2002 Coll.

<sup>6c)</sup> Section 19 Subsection (4) of Act No. 431/2002 Coll. as amended.”.

2. In Section 35 Subsection (1), the words “15 May” are replaced by the words “30 June”.
3. In Section 35 Subsection (2)(b), the words “the opinion” are added and followed by the words “of a statutory”.
4. In Section 35 Subsection (4), the words “31 May” are replaced by the words “15 June”.
5. Section 42b is added and followed by Section 42c which, including the heading, reads as follows:

### **“Section 42c**

#### **Transitional Provision for Amendments Effective as of 1 May 2018**

The provision of Section 34 Subsection (3) in the wording effective as of 1 May 2018 shall first apply to the verification of the financial statements and the annual report prepared as at 31 December 2018.”.

## **Art. XII**

Act No. 595/2003 Coll. on Income Tax as amended by Act No. 43/2004 Coll., Act No. 177/2004 Coll., Act No. 191/2004 Coll., Act No. 391/2004 Coll., Act No. 538/2004 Coll., Act No. 539/2004 Coll., Act No. 659/2004 Coll., Act No. 68/2005 Coll., Act No. 314/2005 Coll., Act No. 534/2005 Coll., Act No. 660/2005 Coll., Act No. 688/2006 Coll., Act No. 76/2007 Coll., Act No. 209/2007 Coll., Act No. 519/2007 Coll., Act No. 530/2007 Coll., Act No. 561/2007 Coll., Act No. 621/2007 Coll., Act No. 653/2007 Coll., Act No. 168/2008 Coll., Act No. 465/2008 Coll., Act No. 514/2008 Coll., Act No. 563/2008 Coll., Act No. 567/2008 Coll., Act No. 60/2009 Coll., Act No. 184/2009 Coll., Act No. 185/2009 Coll., Act No. 504/2009 Coll., Act No. 563/2009 Coll., Act No. 374/2010 Coll., Act No. 548/2010 Coll., Act No. 129/2011 Coll., Act No. 231/2011 Coll., Act No. 250/2011 Coll., Act No. 331/2011 Coll., Act No. 362/2011 Coll., Act No. 406/2011 Coll., Act No. 547/2011 Coll., Act No. 548/2011 Coll., Act No. 69/2012 Coll., Resolution of the Constitutional Court of the Slovak Republic No. 188/2012 Coll. Act No. 189/2012 Coll., Act No. 252/2012 Coll., Act No. 288/2012 Coll., Act No. 395/2012 Coll., Act No. 70/2013 Coll., Act No. 135/2013 Coll., Act No. 318/2013 Coll., Act No. 463/2013 Coll., Act No. 180/2014 Coll., Act No. 183/2014 Coll., Act No. 333/2014 Coll., Act No. 364/2014 Coll., Act No. 371/2014 Coll., Act No. 25/2015 Coll., Act No. 61/2015 Coll., Act No. 62/2015 Coll., Act No. 79/2015 Coll., Act No. 140/2015 Coll., Act No. 176/2015 Coll., Act No. 253/2015 Coll., Act No. 361/2015 Coll., Act No. 375/2015 Coll., Act No.

378/2015 Coll., Act No. 389/2015 Coll., Act No. 437/2015 Coll., Act No. 440/2015 Coll., Act No. 341/2016 Coll., Act No. 264/2017 Coll. Act No. 279/2017 Coll., Act No. 344/2017 Coll., Act No. 57/2018 Coll., and Act No. 63/2018 Coll. is amended as follows:

Section 30c is added and followed by Section 30d which, including the heading, reads as follows:

**“Section 30d**  
**Tax Relief for Registered Social Enterprises**

(1) A taxpayer which is a legal entity and a public-benefit enterprise under a special regulation<sup>120m</sup>) may claim tax relief on the economic activity<sup>120n</sup>), amounting to a percentage of the obligation to use the profit to achieve the main objective under a special regulation<sup>120o</sup>) for the tax period in which its status of a registered social enterprise is granted as at the last day of the tax period.

(2) The tax relief under Subsection (1) in the relevant tax period may be applied by a taxpayer that does not apply the tax relief under Section 30a or Section 30b and does not apply the deduction of expenses (costs) under Section 30c and is not a recipient of a portion of the tax paid under Section 50.

(3) A taxpayer that has applied the tax relief under Subsection (1) shall use the amount of the tax relief under Subsection (1) to

- a) achieve the main objective under a special regulation<sup>120p</sup>) in the relevant tax period for which it applies such relief;
- b) transfer the funds under Subsection (4), amounting to the positive difference between the tax relief under Subsection (1) and the costs of achieving the main objective under a special regulation<sup>120p</sup>) pursuant to (a).

(4) A taxpayer applying the procedure under Subsection (3)(b) shall remit the monetary amount under Subsection (3)(b) to a separate account with a bank or a branch of a foreign bank designed solely for the receipt of such monetary amount and its use under Subsection (5) until the end of the calendar month following the month of the expiry of the time limit for filing a tax return for the tax period in which the taxpayer has applied the tax relief under Subsection (1). If a taxpayer fails to meet the deadline for remitting the monetary amount under Subsection (3)(b) to the separate account with a bank or a branch of a foreign bank, such taxpayer shall no longer be entitled to the tax relief under Subsection (1) and be obliged to file an additional tax return for the tax period in which the taxpayer has applied such tax relief by the end of the third calendar month after expiry of the time limit for remitting the monetary amount to the separate account with a bank or a branch of a foreign bank; the tax calculated in the additional tax return shall also be payable within the same time limit.

(5) The monetary amount in the separate account with a bank or a branch of a foreign bank under Subsection (4), including the interest accruing therefrom, may only be used for the acquisition of tangible assets no later than five years from the date of crediting the monetary amount or the interest to the separate account with a bank or a branch of a foreign bank. If the taxpayer fails to fulfil the condition under the first sentence, the taxpayer shall no longer be entitled to the tax relief under Subsection (1) in the relevant tax period, corresponding to the amount which has not been used to acquire tangible assets and be obliged to file an additional tax return for the tax period in which the taxpayer has applied such tax relief. The taxpayer shall be obliged to file an additional tax return by the end of the third calendar month following the month in which the obligation to file the additional tax return has been ascertained; the tax calculated in the additional tax return shall also be payable within the same time limit.

(6) The taxpayer under Subsection (1) shall no longer be entitled to the tax credit under Subsection (1) and be obliged to increase the tax base amounting to the total tax relief under Subsection (1) applied by the taxpayer for the five consecutive tax periods preceding the tax period in which the taxpayer loses its entitlement to the tax relief under Subsection (1), if

- a) the taxpayer is dissolved with liquidation, in the tax period ending on the day preceding the date of its going into liquidation;<sup>80b)</sup>
- b) the taxpayer is dissolved without liquidation, in the tax period ending on the day preceding the effective date;<sup>80b)</sup> the foregoing shall not apply to dissolution without liquidation in accordance with a special regulation,<sup>120q)</sup> and the conditions for the use of the monetary amount under Subsection (5), including the time limit for the use of such amount shall also remain binding upon the legal successor;
- c) the taxpayer is declared bankrupt, in the tax period ending on the day preceding the effective date of the declaration of bankruptcy;<sup>80b)</sup>
- d) the taxpayer has returned the status of a registered social enterprise under a special regulation<sup>120r)</sup> or its status of a registered social enterprise has been revoked under a special regulation,<sup>120s)</sup> in the tax period in which the taxpayer returned the status of a registered social enterprise or its status of a registered social enterprise was revoked.”.

The footnotes to references 120m to 120s read as follows:

<sup>120m)</sup> Section 11 Subsection (1)(a) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.

<sup>120n)</sup> Section 5 Subsection (2) of Act No. 358/2015 Coll. Governing Certain Relationships in State Aid Agenda and De Minimis Aid and on Alterations and Amendments to Certain Laws (State Aid Act).

<sup>120o)</sup> Section 6 Subsection (1)(c) the fifth paragraph of Act No. 112/2018 Coll.

<sup>120p)</sup> Section 5 Subsection (1)(b) of Act No. 112/2018 Coll.

<sup>120q)</sup> Section 8 Subsection (4) of Act No. 112/2018 Coll.

<sup>120r)</sup> Section 8 Subsection (1)(b) of Act No. 112/2018 Coll.

<sup>120s)</sup> Section 8 Subsection (2) of Act No. 112/2018 Coll.”.

### **Art. XIII**

Act No. 5/2004 Coll. on Employment Services and on Alterations and Amendments to Certain Laws as amended by Act No. 191/2004 Coll., Act No. 365/2004 Coll., Act No. 585/2004 Coll., Act No. 614/2004 Coll., Act No. 1/2005 Coll., Act No. 82/2005 Coll., Act No. 528/2005 Coll., Act No. 573/2005 Coll., Act No. 310/2006 Coll., Act No. 693/2006 Coll., Act No. 561/2007 Coll., Act No. 139/2008 Coll. Act No. 233/2008 Coll., Act No. 263/2008 Coll., Act No. 460/2008 Coll., Act No. 562/2008 Coll., Act No. 49/2009 Coll., Act No. 108/2009 Coll., Act No. 266/2009 Coll., Act No. 463/2009 Coll., Act No. 594/2009 Coll., Act No. 52/2010 Coll., Act No. 136/2010 Coll., Act No. 373/2010 Coll., Act No. 120/2011 Coll., Act No. 223/2011 Coll., Act No. 231/2011 Coll., Act No. 257/2011 Coll., Act No. 468/2011 Coll., Act No. 324/2012 Coll., Act No. 96/2013 Coll., Act No. 308/2013 Coll., Act No. 352/2013 Coll., Act No. 436/2013 Coll., Act No. 495/2013 Coll., Act No. 310/2014 Coll., Act No. 311/2014 Coll., Act No. 14/2015 Coll., Act No. 336/2015 Coll., Act No. 353/2015 Coll., Act No. 378/2015 Coll., Act No. 389/2015 Coll., Act No. 91/2016 Coll., Act No. 310/2016

Coll., Act No. 81/2017 Coll., Act No. 82/2017 Coll., Act No. 57/2018 Coll., Act No. 63/2018 Coll., Act No. 64/2018 Coll., and Act No. 108/2018 Coll. is altered and amended as follows:

1. From Section 12(i), the words “Section 50b (a)” are omitted.
2. In Section 12(l) the third paragraph, Section 12(v) the second paragraph and Section 50b, the words “a work integration social enterprise” in all grammatical forms are replaced by the words “a temporary employment employer” in the appropriate grammatical form.
3. From Section 12 (l), the third paragraph is omitted.
4. In the footnote to reference 18aa, the quotation “Act No. 25/2006 Coll. on Public Procurement and on Alterations and Amendments to Certain Laws as amended” is replaced by the quotation “Act No. 343/2015 Coll. on Public Procurement and on Alterations and Amendments to Certain Laws as amended”.
5. From Section 12(v), the second paragraph is omitted.

The previous third to fifth paragraphs are now designated as the second to fourth paragraphs.

6. Section 13 Subsection (2)(b) reads as follows:

“(b) to grant the status of a sheltered workshop or a sheltered workplace, revoke, alter, suspend, and cancel the suspension of, the granted status of a sheltered workshop or a sheltered workplace and issue a duplicate of the certificate of the granted status of a sheltered workshop or a sheltered workplace;”.

7. In Section 29 Subsection (4) the second sentence, the words “of a work integration social enterprise under Section 50b” are replaced by the words “of a temporary employment employer under Section 50b or which is a registered integration social enterprise<sup>35da</sup>) (hereinafter referred to as the “integration enterprise”)”.

The footnote to reference 35da reads as follows:

“<sup>35da</sup>) Section 12 of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.”.

8. From Section 29 Subsection (4) the second sentence, the words “has the granted status of a temporary employment employer under Section 50b or which” are omitted.

9. Section 50a is omitted.

10. In the heading above Section 50b, the words “in a work integration social enterprise” are replaced by the words “with a temporary employment employer”.

11. In Section 50b Subsection (10), the following sentence is added to the end: “The granted status of a temporary employment employer shall expire as of the date the status of an integration enterprise has been granted to a legal entity or a natural person.”.

12. Section 50b, including the heading above the Section, is omitted.

13. Section 53e is added and followed by 53f and 53g which, including the headings, read as follows:

### **“Section 53f**

#### **Allowance to the Integration Enterprise**

(1) The office provides a monthly allowance to the integration enterprise (hereinafter referred to as the “allowance”)

- a) which, upon agreement, terminates employment within two years of commencement thereof with the employee who was a disadvantaged person<sup>59b</sup>) and employed by an employer that is neither an integration enterprise nor a dependent person<sup>59c</sup>) of the integration enterprise if the employment with such employer is agreed for at least half of the weekly working hours stipulated;
- b) if the number of employees under (a) accounts for at least 10 % of the employees of the integration enterprise during six consecutive calendar months; and
- c) if the integration enterprise requests such allowance in writing.

(2) The allowance shall be provided by virtue of a written agreement on providing the allowance concluded between the office and the integration enterprise for the duration of the employment under Subsection (1)(a), however, for a maximum of 12 calendar months. The allowance amounts to the sum of the allowances under Subsection (3) and is provided for employees whose employment under Subsection (1) is maintained and ongoing.

(3) A monthly allowance for an employee amounts,

- a) in the first to third month, to 10 % of the assessment base from which the employee under Subsection (1) pays social insurance contributions<sup>59d</sup>) (hereinafter referred to as the “employee’s assessment base”), but not more than 50 % of the average wage of the employee in the Slovak economy published by the Statistical Office of the Slovak Republic for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided;

- b) in the fourth to six month, to 20 % of the employee's assessment base, but no more than 50% of the average wage of the employee in the Slovak economy published by the Statistical Office of the Slovak Republic for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided;
- c) in the seventh to the ninth month, to 30 % of the employee's assessment base, but no more than 50% of the average wage of the employee in the Slovak economy published by the Statistical Office of the Slovak Republic for the first to third quarters of the calendar year preceding the calendar year in which the contribution is made;
- d) in the tenth to twelfth month, 40 % of the employee's assessment base, but no more than 50 % of the average wage of the employee in the Slovak economy published by the Statistical Office of the Slovak Republic for the first to third quarter of the calendar year preceding the calendar year in which the allowance is made.

(4) The allowance shall be provided by the office administering the territorial district where the integration enterprise has its registered office or, in the case of a natural person, permanent residence by the end of the calendar month following the calendar month for which the conditions for providing the allowance have been fulfilled.

(5) The agreement on providing the allowance under Subsection (2) shall contain

- a) identification data of the parties to the agreement;
- b) the number of employees who are the disadvantaged persons and have been employed by an employer that is neither an integration enterprise nor a dependent person of the integration enterprise;
- c) the maximum amount of the allowance;
- d) the terms and conditions for the settlement of the allowance;
- e) other particulars agreed.

### **Section 53g**

#### **Compensatory Allowances to the Integration Enterprise**

(1) The office shall provide compensatory allowances to the integration enterprise if the integration enterprise requests such allowances in writing, namely for

- a) wage costs associated with the employment of the disadvantaged or vulnerable persons;<sup>59e)</sup>
- b) additional costs associated with the employment of persons who are the disadvantaged persons due to their state of health;<sup>59f)</sup>
- c) costs incurred to assist employed disadvantaged persons other than the persons who are the disadvantaged persons due to their state of health.

(2) The compensatory allowances shall not be provided for the same eligible costs or the same purpose for which any other contribution hereunder is provided.

(3) The compensatory allowance under Subsection (1)(a) is provided monthly for no more than

- a) 12 consecutive calendar months in the case of a disadvantaged person and for no more than 24 consecutive calendar months in the case of a severely disadvantaged person<sup>59g)</sup>, starting from the calendar month following the calendar month in which the employment has been entered into;
  1. and amounts to 50 % of the eligible costs actually incurred for an employee who is a disadvantaged person due to long-term unemployment or a lower level of educational attainment,<sup>59h)</sup> not exceeding 50 % of the total labour cost calculated from the average wage of an employee in the Slovak economy for the first to third

quarter of the calendar year preceding the calendar year in which the allowance is provided;

2. and amounts to 40 % of the eligible costs actually incurred for an employee who is a disadvantaged person for a reason other than the reasons referred to in the first paragraph or (b), not exceeding 40 % of the total labour cost calculated from the average wage of an employee in the Slovak economy for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided;
- b) the duration of the employment of an employee who is a disadvantaged person due to their state of health and amounts to 75 % of the eligible costs actually incurred for any such employee, not exceeding 60 % of the total labour cost calculated from the average wage of an employee in the Slovak economy for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided; or
- c) 12 consecutive calendar months in the case of a vulnerable person, starting from the calendar month following the calendar month in which the employment has been entered into and amounts to 25 % of the eligible costs actually incurred for any such employee, not exceeding 25 % of the total labour cost calculated from the average wage of an employee in the Slovak economy for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided.

(4) The compensatory allowance under Subsection (1)(b) for one employee amounts to 100 % of the eligible costs actually incurred, not exceeding

- a) 2.5 times the amount of the total labour cost calculated from the average wage of an employee in the Slovak economy for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided during the first three years of the duration of the employment;
- b) 1.2 times the amount of the total labour cost calculated from the average wage of an employee in the Slovak economy for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided during every next three years of the duration of the employment.

(5) The compensatory allowance under Subsection (1)(c) is provided monthly for no more than 12 consecutive calendar months and, in the case of a severely disadvantaged person, for no more than 24 consecutive calendar months. The monthly amount of the compensatory contribution under Subsection (1)(c) for one employee is 50 % of the eligible costs actually incurred, not exceeding 50 % of the total labour cost calculated from the average wage of an employee in the Slovak economy for the first to third quarter of the calendar year preceding the calendar year in which the allowance is provided.

(6) The eligible costs for the purposes of the compensatory allowance under

- a) Subsection (1)(a) shall mean the total cost of labour;
- b) Subsection (1)(b) and (c) shall mean the eligible costs under a special regulation.<sup>59i)</sup>

(7) The compensatory allowances are provided by virtue of a written agreement on providing the compensatory allowances concluded between the office and the integration enterprise. The compensatory allowances shall be provided by the office administering the territorial district where the integration enterprise has its registered office or, in the case of a natural person, permanent residence within 30 days of the proof of the duration of the employment and the amount of the eligible costs if the said facts have been proved by the integration enterprise no later than 30 days after the end of the month for which the allowance is provided.

(8) The agreement on providing the compensatory allowances under Subsection (7) shall contain

- a) identification data of the parties to the agreement;
- b) the number of employees who are the disadvantaged persons and who are the vulnerable persons, including their professional structure;
- c) the maximum amount of the total cost of labour of each employee who is a disadvantaged person or a vulnerable person and for whose employment support the compensatory allowances are provided;
- d) a method of providing the compensatory allowances;
- e) the integration enterprise's obligation to submit employment contracts within a time limit specified and notify the office within seven days at the latest of each termination of the employment of an employee who is a disadvantaged person or a vulnerable person and for whose employment support the compensatory allowances are provided;
- f) the integration enterprise's obligation to notify the office of any change in the terms and conditions agreed within 30 days at the latest;
- g) a method and a time limit for returning the allowance or part thereof in the event of non-fulfilment of the terms and conditions agreed;
- h) other particulars agreed.”.

The footnotes to references 59b to 59i read as follows:

<sup>59b)</sup> Section 2 Subsection (5) of Act No. 112/2018 Coll.

<sup>59c)</sup> Section 2(n) of Act No. 595/2003 Coll.

<sup>59d)</sup> Section 138 of Act No. 461/2003 Coll. as amended.

<sup>59e)</sup> Section 2 Subsection (6) and Section 12 Subsection (3)(b) and (c) of Act No. 112/2018 Coll.

<sup>59f)</sup> Section 2 Subsection (5)(b) of Act No. 112/2018 Coll.

<sup>59g)</sup> Article 2(99) of Regulation (EU) No 651/2014 as amended.

<sup>59h)</sup> Section 2 Subsection (5)(a) the third and fourth paragraph of Act No. 112/2018 Coll.

<sup>59i)</sup> Article 34(2) and Article 35(2) of Regulation (EU) No 651/2014 as amended.”.

- 14. From Section 55 Subsection (6) the second sentence, the words “or upon its written request” are omitted, and the third sentence reads as follows: “Upon the written request of a legal entity or a natural person that has established a sheltered workshop or a sheltered workplace, the office shall revoke, change or suspend the granted status of a sheltered workshop or a sheltered workplace, cancel the suspension of the granted status of a sheltered workshop or a sheltered workplace prior to the expiry of the suspended period, or issue a duplicate of a certificate of the granted status of a sheltered workshop or a sheltered workplace.” and the following sentences are added to the end: “The granted status of a sheltered workshop or a sheltered workplace shall expire as of the date the status of an integration enterprise has been granted to a legal entity or a natural person. The office shall not grant the status of a sheltered workshop or a sheltered workplace to a legal entity or a natural person that is an integration enterprise.”.
- 15. In Section 56 Subsection (2), the words “a portion of the wage and the advance on compulsory health insurance contributions, social insurance contributions and compulsory old-age pension contributions paid by the employer for” are replaced by the words “of the total labour cost”.
- 16. Section 60 Subsection (2)(f) reads as follows:  
“(f) the total cost of labour of the employees who are disabled citizens;”.
- 17. In Section 64 Subsections (2) to (4), the words “by a sheltered workshop or a sheltered workplace established by a citizen with disabilities who operates or carries out a self-employment activity” are replaced by the words “by an integration enterprise where at least 30 % of the employees are made up of citizens with disabilities, by a sheltered workshop or a natural person with disabilities that operates or carries out a self-employment activity in a sheltered workplace”.

18. In Section 64 Subsection (8), the words “a sheltered workshop or a sheltered workplace established by a citizen with disabilities who operates or carries out a self-employment activity” are replaced by the words “an integration enterprise where at least 30 % of the employees are made up of citizens with disabilities, a sheltered workshop or a natural person with disabilities that operates or carries out a self-employment activity in a sheltered workplace”.
19. Section 64 is added and followed by Section 64a which, including the heading, reads as follows:

**“Section 64a**

**Awarding Reserved Contracts in Public Procurement for the Purpose of Fulfilling the Obligatory Proportion of Employing Citizens with Disabilities**

(1) The obligation to employ citizens with disabilities in the amount of the obligatory proportion under Section 63 Subsection (1)(d) may be fulfilled by the employer which is a contracting authority or a contracting entity by performing the reserved contracts in public procurement under a special regulation.<sup>61aaa)</sup>

(2) The tender price in public procurement to include one citizen with disabilities amounts to EUR 2,000. The performance of the reserved contract in public procurement shall be evidenced by a copy of the tender documents and a copy of the contract for the performance of the reserved contract in public procurement.”.

The footnote to reference 61aaa reads as follows:

<sup>61aaa)</sup> Section 36a, Section 108 Subsection (2) and Section 117 Subsection (1) of Act No. 343/2015 Coll. as amended by Act No. 112/2018 Coll.”.

20. In Section 65b, the words “Section 53d” are added and followed by the words “Section 53f, Section 53g”.
21. Section 72ae are added and followed by Sections 72af and 72ag which, including the headings, read as follows:

**“Section 72af**

**Transitional Provisions Effective as of 1 May 2018**

(1) A work integration social enterprise under regulations effective on or before 30 April 2018 is a temporary employment employer.

(2) In the period from 1 May 2018 to 31 December 2020, the Central Office shall not grant the status of a temporary employment employer; the foregoing shall not apply to the application under the second sentence. An application for the status of a work integration social enterprise which has been submitted before 1 May 2018 and is outstanding shall be deemed to be an application for the status of a temporary employment employer.

(3) In the period from 1 May 2018 to 31 December 2020, a legal entity or a natural person that

- a) has the status of a sheltered workshop granted before 1 May 2018 shall not lose the granted status of a sheltered workshop by granting the status of an integration enterprise;
- b) has both the status of an integration enterprise and the status of a sheltered workshop shall not be entitled to allowances provided hereunder to a sheltered workshop.

(4) A legal entity or a natural person that has both the status of an integration enterprise and the status of a sheltered workshop as at 31 December 2020 shall lose the status of a sheltered workshop as of 1 January 2021.

**Section 72ag**  
**Transitional Provisions Effective as of 1 January 2021**

As of 1 January 2021, the status of a temporary employment employer shall cease to exist.”.

22. In Annex 1, paragraph (e) shall be added and followed by paragraph (f) which reads as follows:

“(f) data for the purpose of determining whether the conditions for providing allowances hereunder have been fulfilled, namely

1. employee’s name and surname;
2. employee’s social security identification number;
3. the date of commencement and termination of the employee’s inclusion in the Register of Insured Persons and Old-age Pension Savers;
4. employer’s name and identification number;
5. employee’s assessment base amount.”.

**Art. XIV**

Act No. 222/2004 Coll. on Value Added Tax as amended by Act No. 350/2004 Coll., Act No. 651/2004 Coll., Act No. 340/2005 Coll., Act No. 523/2005 Coll., Act No. 656/2006 Coll., Act No. 215/2007 Coll. Act No. 593/2007 Coll., Act No. 378/2008 Coll., Act No. 465/2008 Coll., Act No. 83/2009 Coll., Act No. 258/2009 Coll., Act No. 471/2009 Coll., Act No. 563/2009 Coll., Act No. 83/2010 Coll., Act No. 490/2010 Coll., Act No. 331/2011 Coll., Act No. 406/2011 Coll., Act No. 246/2012 Coll., Act No. 440/2012 Coll., Act No. 360/2013 Coll., Act No. 218/2014 Coll., Act No. 268/2015 Coll., Act No. 360/2015 Coll., Act No. 297/2016 Coll., Act No. 298/2016 Coll., and Act No. 334/2017 Coll. is altered and amended as follows:

1. From Section 27 Subsection (1), the second paragraph is omitted.
2. Section 27 Subsection (1) is added and followed by new Subsection (2) which reads as follows:

“(2) The reduced tax rate of 10% of the tax base shall apply to

- a) the goods listed in Annex 7;
- b) the goods and services which, as part of social economy activities,<sup>6ad)</sup> a registered social enterprise<sup>6ae)</sup> using 100 % of its after-tax profit to achieve its main objective delivers and provides to an eligible customer unless there is disruption of competition incompatible with the internal market, in which case the eligible customer shall mean a person other than a taxable person, provided that it is a natural person, a social economy entity<sup>6af)</sup> or a public authority.”.

Previous Subsections (2) and (3) are now designated as Subsections (3) and (4).

The footnotes to references 6ad, 6ae, and 6af read as follows:

<sup>6ad)</sup> Section 3 of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.

<sup>6ae)</sup> Section 5 Subsection (2) of Act No. 112/2018 Coll.

<sup>6af)</sup> Section 4 of Act No. 112/2018 Coll.”.

**Art. XV**

Act No. 582/2004 Coll. on Local Taxes and Local Fee for Municipal Waste and Minor Construction Waste as amended by Act No. 733/2004 Coll., Act No. 747/2004 Coll., Act No. 171/2005 Coll., Act No. 517/2005 Coll., Act No. 120/2006 Coll., Act No. 460/2007 Coll., Act No. 538/2007 Coll., Act No. 465/2008 Coll., Act No. 535/2008 Coll., Act No. 467/2009 Coll., Act No. 527/2010 Coll., Act No. 406/2011 Coll., Act No. 460/2011 Coll., Act No. 548/2011 Coll., Act No. 68/2012 Coll., Act No. 286/2012 Coll., Act No. 343/2012 Coll., Act No. 347/2013 Coll., Act No. 484/2013 Coll., Act No. 268/2014 Coll., Act No. 333/2014 Coll., Act No. 361/2014 Coll., Act No. 79/2015 Coll., Act No. 243/2017 Coll., and Act No. 292/2017 Coll. is amended as follows:

1. Section 17 Subsection (2) is amended by paragraph (m) which reads as follows:

“(m) the land owned by a registered social enterprise.<sup>19a)</sup>”.

The footnote to reference 19a reads as follows:

“<sup>19a)</sup> Section 5 Subsection (2) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.”

2. Section 17 Subsection (3) is amended by paragraph (g) which reads as follows:

“(g) buildings, flats and non-residential premises owned by a registered social enterprise.”.

#### **Art. XVI**

Act No. 292/2014 Coll. on the Contribution Received from the European Structural and Investment Funds and on Alterations and Amendments to Certain Laws as amended by Act No. 357/2015 Coll., Act No. 91/2016 Coll., Act No. 171/2016 Coll. Act No. 315/2016 Coll., Act No. 93/2017 Coll., and Act No. 280/2017 Coll. is altered and amended as follows:

1. In Section 3 Subsection (1)(a) throughout the text, the words “of a non-repayable financial contribution” are added and followed by the words “or a conditionally repayable financial contribution”.

2. From Section 3 Subsection (1)(b), the words “non-repayable financial” are omitted.

3. Section 17 Subsection (3) is amended by paragraph (h) which reads as follows:

“(h) information on the conditions for repaying the funds received from the contribution under Section 25 Subsection (10) in the case of a conditionally repayable financial contribution.”.

4. Section 25 is amended by Subsection (10) which reads as follows:

“(10) In the case of a conditionally repayable financial contribution, the provisions of the contract under Subsection (3) shall stipulate the conditions of repaying the funds received from a conditionally repayable financial contribution and determine whether or not all the funds received from such contribution or part thereof must be repaid upon fulfilment or non-fulfilment of such conditions. The provisions of this Act shall not apply to the re-use of the repaid funds from a conditionally repayable financial contribution.”.

#### **Art. XVII**

Act No. 323/2015 Coll. on Financial Instruments Financed by the European Structural and Investment Funds and on Alterations and Amendments to Certain Laws is amended as follows:

Section 1 is amended by Subsection (3) which reads as follows:

“(3) In the case of an enterprise in a wider area of the social economy,<sup>1a)</sup> a special regulation<sup>1b)</sup> may stipulate additional conditions for making a contribution to a financial instrument, repaying a contribution to a financial instrument and implementing financial instruments.”.

The footnote to reference 1a reads as follows:

“<sup>1a)</sup> Section 5 Subsection (6) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.

<sup>1b)</sup> Act No. 112/2018 Coll.”.

#### **Art. XVIII**

Act No. 343/2015 Coll. on Public Procurement and on Alterations and Amendments to Certain Laws as amended by Act No. 438/2015 Coll., Act No. 315/2016 Coll., Act No. 93/2017 Coll., Act No. 248/2017 Coll., and Act No. 264/2017 Coll. is altered and amended as follows:

1. Section 1 Subsection (12) is amended by paragraph (v) which reads as follows:

“(v) the supply of goods or the provision of services to a contracting authority,

1. the supplier of which is a registered social enterprise;<sup>25b)</sup>

2. the supplier of which is a natural person with disabilities, who operates or carries out a self-employment activity in a sheltered workplace;<sup>25c)</sup> or
3. which are delivered by a sheltered workshop<sup>25c)</sup> or under sheltered employment programmes if at least 30 % of employees working in sheltered workshops or under sheltered employment programmes are persons with disabilities or otherwise disadvantaged persons.<sup>25d)</sup>“.

The footnotes to references 25b to 25d read as follows:

“<sup>25b)</sup> Section 5 Subsection (2) of Act No. 112/2018 Coll. on Social Economy and Social Enterprises and on Alterations and Amendments to Certain Laws.

<sup>25c)</sup> Section 55 Subsection (1) of Act No. 5/2004 Coll. on Employment Services and on Alterations and Amendments to Certain Laws as amended.

<sup>25d)</sup> For example, Section 2 Subsections (5) and (6) of Act No. 112/2018 Coll.”.

2. Section 1 Subsection (12) is added and followed by new Subsection (13) which reads as follows:

“(13) This Act shall not apply to a low-value contract, the subject of which is to perform construction work for a contracting authority,

- a) the supplier of which is a registered social enterprise;<sup>25b)</sup>
- b) the supplier of which is a natural person with disabilities, who operates or carries out a self-employment activity in a sheltered workplace;<sup>25c)</sup> or
- c) which is delivered by a sheltered workshop<sup>25c)</sup> or under sheltered employment programmes if at least 30 % of employees working in sheltered workshops or under sheltered employment programmes are the persons with disabilities or otherwise disadvantaged persons.<sup>25d)</sup>“.

Previous Subsection (13) is now designated as Subsection (14).

3. In Section 1 Subsection (14), the words “to 12” are replaced by the words “to 13”.

4. Section 2 Subsection (5) is amended by paragraph (p) which reads as follows:

“(p) the social aspect shall mean such aspect related to the subject of the contract, which may lead to a positive social impact<sup>26a)</sup> of the performance of the subject of the contract, particularly to the creation of or support of the creation of job opportunities, to dignified, fair and satisfactory working conditions beyond the statutory obligation to ensure such conditions, to the inclusion of disadvantaged, threatened or excluded persons and groups of persons in social relations and to the facilitation of their access to the labour market, increasing accessibility and usability of the goods, services and construction work for persons with disabilities, to ethical and fair trading, to ensuring the growth of a knowledge- and innovation-based economy, to sustainability of resources and social and territorial cohesion, to increasing the responsibility of suppliers in relation to the interests of society, especially by integrating socially beneficial activities into the supplier’s activity and by cooperating with entities involved in its activities or by mitigating the consequences of the economic and social disadvantage of the least-developed districts.”.

The footnote to reference 26a reads as follows:

“<sup>26a)</sup> Section 2 Subsection (1) of Act No. 112/2018 Coll.”.

5. Section 10 Subsection (6) is added and followed by new Subsections (7) and (8) which read as follows:

“(7) A contracting authority and a contracting entity shall, in the calendar year in which it has launched or carried out at least ten procurement procedures other than low-value contracts, be obliged to use a social aspect in a description of the subject of the contract as a special condition for performance of the contract or as a criterion for the evaluation of tenders (the so-called “award criterion”) in at least 6 % of such procurement procedures. The persons under Section 8 are not subject to the obligation under the first sentence. In order to fulfil the obligation under the first sentence,

- a) the range of 6 % shall also include

1. a procurement procedure carried out in the form of a reserved contract;
  2. alteration of a contract, a framework agreement or a concession contract throughout their duration without new a procurement procedure if the alteration consists in extending their duration or increasing the value and the original contract, the framework agreement or the concession contract have been concluded as a result of a procurement procedure using a social aspect;
- b) a procurement procedure using a social aspect must be carried out;
- c) a procurement procedure which has been launched in one calendar year, but completed in another calendar year shall only be included in one of these years.

(8) The number of procurement procedures in which a contracting authority and a contracting entity are obliged to use a social aspect under Subsection (7) shall be mathematically rounded off to the nearest whole number.”.

Previous Subsection (7) is now designated as Subsection (9).

6. Section 36 is added and followed by Section 36a which, including the heading, reads as follows:

**“Section 36a  
Reserved Contracts**

(1) A contracting authority and a contracting entity may reserve the right to participate in a procurement procedure only for registered social integration enterprises,<sup>49a)</sup> sheltered workshops,<sup>25c)</sup> natural persons with disabilities who operate or carry out self-employment activity in a sheltered workplace,<sup>25c)</sup> or may reserve performance of a contract under sheltered employment programmes provided that at least 30 % of employees of registered social integration enterprises, employees working in sheltered workshops or employees of sheltered employment programmes are persons with disabilities or otherwise disadvantaged persons.<sup>25d)</sup>

(2) Where a reservation under Subsection (1) applies, it shall be indicated in a contract notice, a notice used as a call for competition, a concession notice, a design contest notice or an invitation to tender.”.

The footnote to reference 49a reads as follows:

“<sup>49a)</sup> Section 12 of Act No. 112/2018 Coll.”.

7. In Section 42 Subsection (7) the introductory sentence, the word “characteristics” is replaced by the word “considerations” in all appropriate grammatical forms.
8. Section 108 Subsection (2) reads as follows:

“(2) A contracting authority may reserve the right to participate in a procurement procedure only for

- a) a registered social enterprise;<sup>25b)</sup>
- b) a natural person with disabilities who operates or carries out a self-employment activity in a sheltered workplace;<sup>25c)</sup> or
- c) sheltered workshops<sup>25c)</sup> or performance of a contract under sheltered employment programmes if at least 30 % of employees working in sheltered workshops or under sheltered employment programmes are the persons with disabilities or otherwise disadvantaged persons.<sup>25d)</sup>”.

The footnote to reference 63 is omitted.

9. In Section 117 Subsection (1), the following sentence is added to the end: “Section 108 Subsection (2) shall apply in the same manner.”.

Act No. 55/2017 Coll. on the Civil Service and on Alterations and Amendments to Certain Laws as amended by Act No. 334/2017 Coll. and Act No. 63/2018 Coll. is amended as follows:

In Section 7 Subsection (2), paragraph (b) is amended by the eighth paragraph which reads as follows:

“8. by the Head of the Office of the Government of the Slovak Republic.”.

**Art. XX**

This Act shall come into effect as of 1 May 2018, except for Art. XIII paragraphs 15 and 16 which shall come into effect as of 1 July 2018, Art. I Section 7 Subsection (7), Section 16 Subsection (1)(c), Sections 22 and 23, Art. XII and Art. XIV which shall come into effect as of 1 January 2019, Art. XVIII the fifth paragraph which shall come into effect as of 1 January 2020, and Art. XIII the first paragraph, the third paragraph, the fifth paragraph, the eighth paragraph, the twelfth paragraph and the paragraph 21 of Section 72ag which shall come into effect as of 1 January 2021.

**Andrej Kiska m.p.**

**Andrej Danko m.p.**

**Robert Fico m.p.**

- 1) Act No. 601/2003 Coll. on the Subsistence Minimum and on Alterations and Amendments to Certain Laws as amended.
- 2) Section 35 of Act No. 5/2004 Coll. on Employment Services and on Alterations and Amendments to Certain Laws as amended.
- 3) Act No. 5/2004 Coll. as amended.
- 4) Section 16 Subsection (4)(b) of Act No. 245/2008 Coll. on Education and Training (Education Act) and on Alterations and Amendments to Certain Laws as amended.
- 5) Section 2 Subsection (1) of Act No. 336/2015 Coll. on Support for the Least-developed Districts and on Alterations and Amendments to Certain Laws.
- 6) Section 44 of Act No. 328/2002 Coll. on Social Security for Policemen and Soldiers and on Alterations and Amendments to Certain Laws as amended.  
Section 71 of Act No. 461/2003 Coll. on Social Insurance as amended by Act No. 310/2006 Coll.
- 7) For example, Section 88 of Act No. 461/2003 Coll. as amended.
- 8) Act No. 448/2008 Coll. on Social Services and on Alterations and Amendments to Act No. 455/1991 Coll. on Trade Licensing (Trade Licensing Act) as amended as amended.
- 9) Section 2 Subsection (2) of Act No. 448/2008 Coll. as amended by Act No. 485/2013 Coll.
- 10) Section 2(j) of Act No. 245/2008 Coll.
- 11) Section 2(q) of Act No. 245/2008 Coll.
- 12) Act No. 305/2005 Coll. on Social and Legal Protection of Children and Social Guardianship and on Alterations and Amendments to Certain Laws as amended.
- 13) Sections 45, 48 and 56 of Act No. 36/2005 Coll. on the Family and on Alterations and Amendments to Certain Laws as amended.
- 14) Section 14 Subsection (1) of Act No. 447/2008 Coll. on Cash Benefits to Compensate Severe Disability and on Alterations and Amendments to Certain Laws as amended by Act No. 180/2011 Coll.  
Section 49 Subsection (11) of Act No. 448/2008 Coll.
- 15) Sections 48 to 53 of Act No. 461/2003 Coll. as amended.
- 16) Act No. 571/2009 Coll. on Parental Allowance and on Alterations and Amendments to Certain Laws as amended.
- 17) Sections 20 to 23 of Act No. 447/2008 Coll. as amended.
- 18) Section 40 of Act No. 447/2008 Coll. as amended.
- 19) Act No. 461/2003 Coll. as amended.  
Act No. 43/2004 Coll. on Old-Age Pension Savings and on Alterations and Amendments to Certain Laws as amended.
- 20) Section 4 of Act No. 601/2003 Coll. as amended.
- 21) Section 2(i) of Act No. 480/2002 Coll. on Asylum and on Alterations and Amendments to Certain Laws as amended.
- 22) Section 2(c) of Act No. 480/2002 Coll. as amended.
- 23) Act No. 406/2011 Coll. on Volunteering and on Alterations and Amendments to Certain Laws as amended by Act No. 440/2015 Coll.
- 24) Section 2 of Act No. 83/1990 Coll. on Association of Citizens.
- 25) Section 2 of Act No. 34/2002 Coll. on Foundations and on Alterations to the Civil Code as amended.
- 26) Section 2 Subsection (1) of Act No. 213/1997 Coll. on Non-profit Organisations Providing Services of General Interest as amended by Act No. 35/2002 Coll.
- 27) Section 2 of Act No. 147/1997 Coll. on Non-investment Funds and on Amendments to Act of the National Council of the Slovak Republic No. 207/1996 Coll.

- 28) Section 6 Subsection (1)(h) of Act No. 308/1991 Coll. on the Freedom of Religious Belief and the Status of Churches and Religious Societies.
- 29) Section 3 of Act No. 131/2002 Coll. on Higher Education and on Alterations and Amendments to Certain Laws as amended by Act No. 363/2007 Coll.
- 30) Section 2(n) of Act No. 595/2003 Coll. on Income Tax.
- 31) Section 6a of Act No. 297/2008 Coll. on the Prevention of Legalization of Proceeds of Criminal Activity and Terrorist Financing and on Alterations and Amendments to Certain Laws as amended by Act No. 315/2016 Coll.
- 32) Section 5 Subsection (2) of Act No. 358/2015 Coll. Governing Certain Relationships in State Aid Agenda and De Minimis Aid and on Alterations and Amendments to Certain Laws (State Aid Act).
- 33) For example, Section 8a of Act No. 523/2004 Coll. on Budget Rules of the Public Administration and on Alterations and Amendments to Certain Laws as amended, Act No. 292/2014 Coll. on the Contribution Received from the European Structural and Investment Funds and on Alterations and Amendments to Certain Laws as amended, Act No. 323/2015 Coll. on Financial Instruments Financed by the European Structural and Investment Funds and on Alterations and Amendments to Certain Laws.
- 34) Art. 17(3) of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26. 6. 2014) as amended.
- 35) Section 30d Subsection (3)(b) of Act No. 595/2003 Coll. as amended by Act No. 112/2018 Coll.
- 36) Section 67 of the Commercial Code.
- 37) Section 235 of the Commercial Code.
- 38) Section 10 Subsection (4) of Act No. 330/2007 Coll. on the Criminal Register and on Alterations and Amendments to Certain Laws as amended by Act No. 91/2016 Coll.
- 39) Section 233 of the Labour Code.
- 40) Section 11a Subsection (2) of the Labour Code.
- 41) Art. 3(1)(b) the fourth paragraph of Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006 (OJ L 347, 20. 12. 2013) as amended.
- 42) Section 115 of the Civil Code.
- 43) Section 3 of Act No. 601/2003 Coll.
- 44) Act No. 431/2002 Coll. on Accounting as amended.
- 45) Act No. 423/2015 Coll. on Statutory Audit and on Alterations and Amendments to Act No. 431/2002 Coll. on Accounting as amended by Act No. 91/2016 Coll.
- 46) Section 2 Subsection (4)(f) of Act No. 431/2002 Coll.
- 47) Section 23 of Act No. 431/2002 Coll. as amended.
- 48) For example, Section 34 of Act No. 213/1997 Coll. as amended, Section 35 of Act No. 34/2002 Coll. as amended.
- 49) For example, Articles 107 and 108 of the Treaty on the Functioning of the European Union (OJ C 202, 7. 6. 2016), Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L 352, 24. 12. 2013), Regulation (EU) No 651/2014 as amended, Act No. 358/2015 Coll. Governing Certain Relationships in State Aid Agenda and De Minimis Aid and on Alterations and Amendments to Certain Laws (State Aid Act).
- 50) Section 7 of Act No. 358/2015 Coll.
- 51) For example, Act No. 523/2004 Coll. as amended, Act No. 323/2015 Coll.
- 52) Art. 18 of Regulation (EU) No 651/2014 as amended.
- 53) Section 3(b) of Act No. 323/2015 Coll.

- 54) Art. 37(7) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20. 12. 2013) as amended.
- 55) Section 3 Subsection (1)(a) of Act No. 292/2014 Coll. as amended by Act No. 112/2018 Coll.
- 56) Decree of the Ministry of Justice of the Slovak Republic No. 492/2004 Coll. on Determining the General Value of the Property as amended.
- 57) Section 30d of Act No. 595/2003 Coll. as amended by Act No. 112/2018 Coll.
- 58) Act of the Slovak National Council No. 138/1991 Coll. on Municipal Property as amended. Act of the National Council of the Slovak Republic No. 278/1993 Coll. on the Administration of State Property as amended.  
Act No. 446/2001 Coll. on the Property of Higher Territorial Units as amended. Act No. 292/2014 Coll. as amended.  
Act No. 323/2015 Coll.
- 59) For example, Act No. 292/2014 Coll. as amended, Act No. 323/2015 Coll.
- 60) Act of the Slovak National Council No. 138/1991 Coll. as amended.  
Act of the National Council of the Slovak Republic No. 278/1993 Coll. as amended. Act No. 446/2001 Coll. as amended.
- 61) Section 8a of Act No. 523/2004 Coll. as amended.
- 62) Act No. 575/2001 Coll. on Organisation of the Government Activities and Organisation of the Central State Administration as amended.
- 63) For example, Act No. 434/2010 Coll. on Granting Subsidies within the Competence of the Ministry of Culture of the Slovak Republic as amended, Act No. 443/2010 Coll. on Subsidies for Housing Development and on Social Housing as amended, Act No. 544/2010 Coll. on Subsidies within the Competence of the Ministry of Labour, Social Affairs and Family of the Slovak Republic as amended.
- 64) Act No. 357/2015 Coll. on Financial Control and Auditing and on Alterations and Amendments to Certain Acts.
- 65) Sections 53f and 53g of Act No. 5/2004 Coll. as amended by Act No. 112/2018 Coll.
- 66) Art. 2(2) of Regulation (EU) No 1407/2013.
- 67) Section 3 of Act No. 315/2016 Coll. on the Register of Public Sector Partners and on Alterations and Amendments to Certain Laws.
- 68) Art. 2(1) of Constitutional Act. 357/2004 Coll. on the Protection of Public Interest in the Performance of Functions by Public Officials as amended by Constitutional Act No. 545/2005 Coll.
- 69) Art. 9 of Commission Regulation (EC) No 794/2004 of 21 April 2004 implementing Council Regulation (EU) 2015/1589 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union (OJ L 140, 30. 4. 2004) as amended.
- 70) Section 2 Subsection (4)(a) of Act No. 431/2002 Coll. as amended.
- 71) Part Two of Act of the National Council of the Slovak Republic No. 10/1996 Coll. on Control in the State Administration as amended.
- 72) Act No. 305/2013 Coll. on the Electronic Form of Governance Conducted by Public Authorities and on Alterations and Amendments to Certain Laws (e-Government Act) as amended.

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