

Contributions to support maintaining of employment

provided in times of declared emergency situation connected to the

COVID-19 PANDEMIC

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Support for employers, who were forced to shut down based on the measures of the Slovak Public Health Authority due to the declared emergency situation

1 **Support for employers**, who were **forced to shut down** based on the measures of the Slovak Public Health Authority due to the declared emergency situation

- **Eligible applicant:**
 - **an employer** (including self-employed, who are employers), who in times of the declared emergency situation **maintains employment (job positions) in spite of being forced to shut down** (or limit their business) based on the measures of the Slovak Public Health Authority
- **Target groups:**
 - employees, whom employer cannot order work due to the obstacles on the side of the employer (§ 142 Labor Code)
- **Contribution amount:**
 - a **compensation for the wage of the employee**, whose amount is set by a collective agreement, respecting the upper limits of **80 % of the employees' average salary, and a cap of 1,100 €/employee.**
 - employer contributions (35.2% of gross wage , calculated max. from 1,100 €) will be still covered by the employer

Note: The contribution to the employer, who has paid (based on the collective agreement) compensation of salaries lower than the 80% of the average salary, will be reduced proportionally. In that case the upper limit for each contribution is 880 EUR/employee.



Support for the self-employed, who were forced to shut down or whose revenues dropped due to the declared emergency situation

2 Support for the self-employed, who were forced to shut down or whose revenues dropped due to the declared emergency situation

- **Eligible applicant:**
 - **self-employed**, who have **stopped or limited their business activity** based on the measures of the Slovak Public Health Authority, or self-employed with **decreased revenues**;
- **Target group:**
 - **self-employed, except self-employed that has concurrently had a work contract or his operation had been cancelled/suspended** (self-employed, whose operation has been cancelled/suspended can claim a different kind of contribution, which is not included in this presentation – more information can be found at www.pomahameludom.sk)
- **Additional condition for the applicant:**
 - **Self-employed had to be paying sickness and pension insurance** (obligatory or voluntary) during the period before 31.3.2020 and the insurance continues even after this date
 - or
 - **self-employed person is taking „levy holidays“** according to Act no. 461/2003 Coll. on Social insurance, which allows the postponing of social security payments of every self employed from the start of their business activities until July 1st of the next calendar year (after the year, in which they started conducting their business activities)

2 Support for the self-employed, who were forced to shut down or whose revenues dropped due to the declared emergency situation

- Contribution amount **depends on a decrease of revenues** (net turnover) **in comparisons with the same time period in 2019.**
- The applicants who had been **running their business for the whole year of 2019** can alternatively use their **monthly average revenues** (net turnover) **for the whole year 2019** as a reference for their calculation base. Such applicants can choose, whether they use the same month from 2019, or their monthly average from 2019 as reference.
- In a case the applicant **did not operate during that same month in 2019**, it shall use **February 2020 as a reference period**
- The contribution amount is based on the relative decrease in revenues:

Decrease of revenues in March 2020	Compensation for March 2020
10% - 20%	90 €
20% - 30%	150 €
30% - 40%	210 €
≥ 40%	270 €

Decrease of revenues in April 2020 other months of declared emergency situation	Compensation for April 2020 and other months of declared emergency situation
20% - 40%	180 €
40% - 60%	300 €
60% - 80%	420 €
≥ 80 %	540 €



Contributions for employers (including large enterprises) negatively affected by the declared emergency situation

3 Contributions for employers negatively affected by the declared emergency situation

- **Eligible applicant:**
 - **Employers** (including self-employed, who are employers), **SMEs and also large enterprises**, who **keep the job positions** during the declared emergency situation, **even in case of stopped or limited business activity.**
- **Target groups:**
 - Employees with an employment contract (contribution can't be claimed for employees, who are receiving nursing benefit, sick pay or paid leave)
- **Contribution amount** (Employer can choose **only one option**, A or B, for the whole period of contributions payments.) :
 - A. a compensation up to 80 % of their employees' average salaries**, up to a maximum of **880 EUR/employee for all employees that can't work due to obstacles on the employer's side** (§ 142 section 4 of the Labour Code)
 - OR**
 - B. flat contribution for the part of the wage costs for each employee based on the decrease of revenues** (calculation available on the next slide)

3 Contributions for employers negatively affected by the declared emergency situation – calculation of the flat contribution based on the decrease of revenues (option B)

- Contribution amount **depends on a decrease of revenues** (net turnover) **in comparisons with the same time period in 2019.**
- The applicants who had been **running their business for the whole year of 2019** can alternatively use their **monthly average revenues** (net turnover) **for the whole year 2019** as a reference for their calculation base. Such applicants can choose, whether they use the same month from 2019, or their monthly average from 2019 as reference.
- In a case the applicant **did not operate during that same month in 2019**, it shall use **February 2020 as a reference period.**
- The contribution amount **per employee** is based on the relative decrease in revenues (net turnover):

Decrease of revenues in March 2020	Compensation for March 2020
10% - 20%	90 €
20% - 30%	150 €
30% - 40%	210 €
≥ 40%	270 €

Decrease of revenues in April 2020 other months of declared emergency situation	Compensation for April 2020 and other months of declared emergency situation
20% - 40%	180 €
40% - 60%	300 €
60% - 80%	420 €
≥ 80 %	540 €



Common provisions for all types of contributions

4 Common provision – additional conditions

- Employers are obliged to **keep the supported job positions for 2 additional months after the month for which the applicant applied.** They also can't make any steps towards termination the job position. During this period, the employee can't be moved to a different facility.
- Applicants **must submit a statement of their employee count by 31.1.2020.**
- Employers are obliged to **pay employees** (for whom the contribution is granted) **a remuneration (compensation) of 80% of their average salary.** The contribution to the employer, who has paid (due to the collective agreement) compensation of salaries lower than the 80% of the average salary, will be reduced proportionally.
- **Only the employees that are not currently in the termination period, can be supported.**
- Contribution can't be claimed for employees, who are receiving nursing benefits, sick pay or paid leave or for job positions, that were already supported by any other contribution form s.c. „Active tools on the labour market“.
- Contributions apply **only to employees with proper employment contract.**
- Total aid for one self-employed can't surpass 800,000 EUR.

4 Common provision – additional conditions

- Applicants **could not have been defined as a “business/undertaking in difficulty” until 31.12.2019.**
- Applicants had to **establish/incorporate their entities** (and begin to operate his business) **till the 1.2.2020** at the latest.
- Limited liability companies without employees are not considered as eligible.
- Applicants must have **fulfilled the conditions of § 70 par. 7 of the Act on employment services** (fulfilled tax duties, social and health insurance duties, etc.). Eligible applicants are also the ones, who:
 - fulfill their tax and social/health insurance duties towards Labour office additionally in the following way – they were allowed to pay their debts in installments (based on repayment schedule), or
 - were not able to fulfill their tax and social/health contributions duties (for February 2020) due to decrease of their revenues in March 2020. In that case the conditions set by § 70 par. 7 letters a), b) and d) are considered as fulfilled for February 2020.
- Applicants that fulfill all requirements, have **the legal right for the contributions.**

4 Common provisions– time frame/application process

- **Eligible time-period:**
 - As of 12.3.2020 until the end of September 2020.
- **How to apply:**
 - Applicants have to apply electronically (e-mail) at their local labor office (if company operates more than one facility, the application should be sent to the labor office in the district, where the company head-quarters are registered).
 - More information about the application process can be found at www.neprepustaj.sk or www.pomahameludom.sk. The Ministry of Labour, Social Affairs and Family of the SR runs also a call centre dedicated to this measures at the phone number +421 2 2211 5656 (available on working days from 6 am to 10 pm).
- **Date of provision:**
 - April: starting as of 15.4.2020 (applies for the 1st and 2nd type of contribution)
 - May and other months of declared emergency situation : on the day when the employer distributes salaries to his employees

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