

INVESTMENT INCENTIVES IN SLOVAKIA

ELIGIBLE PROJECTS

Investment incentives can be granted for new or established companies in the following types of projects:

- industrial production
- technology centers
- combined project of industrial production and technology center
- shared services centers

There is no legal entitlement to the granting of investment aid and each application is evaluated individually.

ELIGIBLE COSTS

For the purposes of investment aid, the following long-term assets shall be considered as eligible costs:

- purchase of land and buildings acquisition
- construction costs of buildings
- rent of new land and buildings
- purchase of new technology and machinery equipment
- purchase of intangible assets - patents, licenses, know-how etc.
- or
- total wage costs of all new employees calculated over a period of 2 years

All production and technology equipment which is to be included in the eligible costs must be new (never depreciated), acquired under market conditions and manufactured not more than two years prior to its acquisition.

TIME FRAME

The investor has a maximum of 3 years for the project implementation (5 years for large scale projects). In the case of job creation, the investor has a maximum of 6 years to create the new positions (8 years for large scale projects). Work on the project can begin at the earliest after submitting the application of the investment aid to the Ministry of Economy.

FORMS OF INVESTMENT AID

Investment aid is provided in the following forms (provided ex-post):

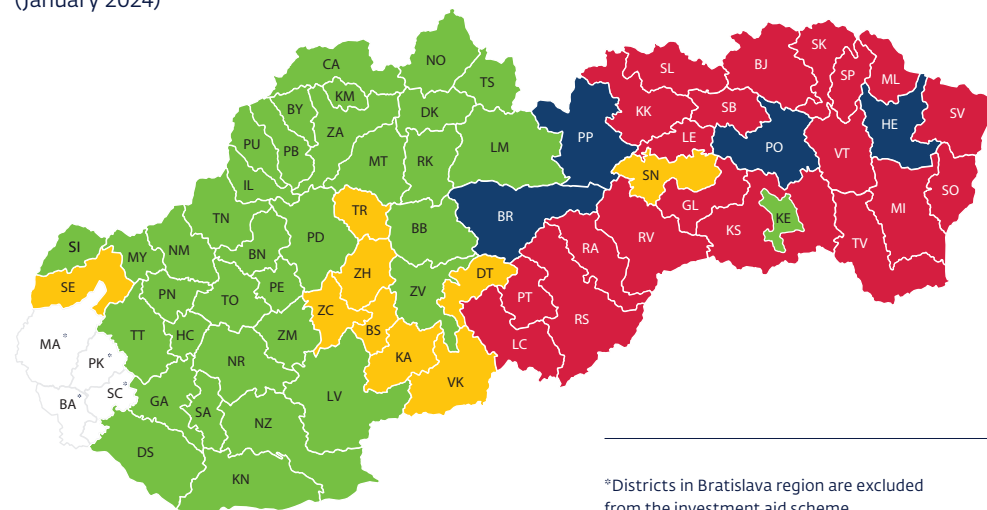
- corporate income tax relief
- cash grant for tangible and intangible fixed assets
- contribution for newly created jobs
- rent/sale of a real estate in a public ownership at a discounted price

INDUSTRIAL PRODUCTION

In case of industrial production projects, there are conditions of minimum investment amount, the share of new technological equipment on eligible costs and the creation of new jobs depending on the unemployment rate in the district and the applied forms of investment aid.

In case of expansion, there is an obligation to increase production volume or production turnover by at least 15%.

Categorization of Slovakian districts based on the unemployment rate (January 2024)



Min. share of new technology	CASH GRANT		CONTRIBUTION TO NEW JOBS		INCOME TAX RELIEF	TRANSFER/RENT OF REAL ESTATE
	Min. investment		Min. investment	Min. number of new jobs	Min. investment	Min. investment
	Other areas	Priority areas**				
60%	n/a	40 mil. €	n/a	n/a	6 mil. €	6 mil. €
50%	30 mil. €	20 mil. €	3 mil. €	200	3 mil. €	3 mil. €
40%	20 mil. €	10 mil. €	1,5 mil. €	100	1,5 mil. €	1,5 mil. €
30%	1 mil. €	0,5 mil. €	0,2 mil. €	20	0,2 mil. €	0,2 mil. €

*If the investment incentives recipient is a small and medium-sized enterprise (SME), the minimum investment amount and the number of newly created jobs is reduced to at least 1/2. **To specify the priority areas, please contact SARIO at invest@sario.sk ***Current list of 'the least developed districts' (category D) should be checked at the webpage of the Central office of labour, social affairs and family (ÚPSVaR) prior to the application submission. List is revised on the quarterly basis.

TECHNOLOGY CENTERS

In the case of technology center projects, there are conditions of minimum investment amount, creation of new jobs and minimum fold of average salary in the district depending on the applied form of investment aid, and the priority of the project sectoral specification.

Minimum conditions for technology center projects

	Min. number of new jobs	Min. multiple of average salary in district	MIN. INVESTMENT			
			Cash Grant	Income Tax Relief	Contributions to new jobs	Transfer/rent of real Estate
Priority areas*	10	2,0x	200,000 €	100,000 €	100,000 €	100,000 €
Other areas	20	1,7x	400,000 €	200,000 €	200,000 €	200,000 €

In case of districts Košice I – IV, the lowest average wage is taken into consideration as a reference base. * To specify the priority areas, please contact SARIO at invest@sario.sk

BUSINESS SERVICE CENTERS

In the case of business service centers projects, there are conditions of minimum investment amount, creation of new jobs and minimum fold of average salary in the district depending on the applied form of investment aid, and the priority of the project sectoral specification.

Minimum conditions for business service centers projects

	Min. number of new jobs	Min. multiple of average salary in district	MIN. INVESTMENT			
			Cash Grant	Income Tax Relief	Contributions to new jobs	Transfer/rent of real Estate
Priority areas*	20	1.8	200,000 €	0 €*	0 €*	0 €*
Other areas	50	1.5	n/a	0 €*	0 €*	0 €*

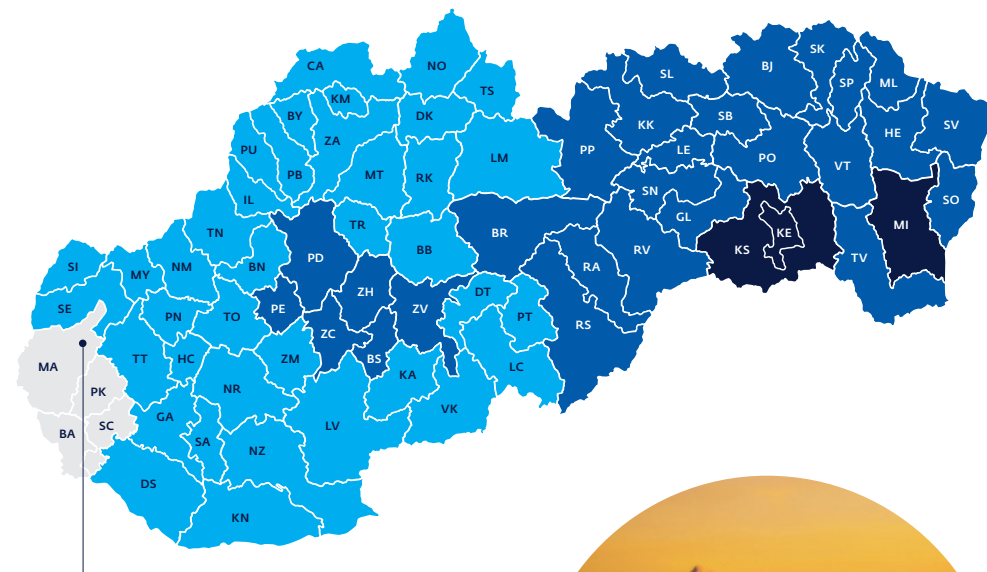
In case of districts Košice I – IV, the lowest average wage is taken into consideration as a reference base. *The initial investment must represent non-zero value. ** To specify the priority areas, please contact SARIO at invest@sario.sk

AID INTENSITY

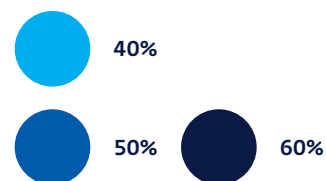
Maximum aid intensity in all eligible projects means the maximum amount of investment incentives calculated as a portion from the eligible costs.

Districts in Bratislava region are excluded from the investment aid scheme.

Maximum investment aid intensity*



*Districts in Bratislava region are excluded from the investment aid scheme



If the investment incentives recipient is a SME, the maximum intensity can be increased of 10-20%.



* An amendment to the Governmental Regulation no. 195/2018 Coll. is currently in the legislation process. Map of maximum intensities above already reflects these changes (maximum aid intensity in the Western Slovakia increased from 30% to 40%. In case of question, please contact SARIO via e-mail at invest@sario.sk.