



# TRANSFER PRICING LEGAL REGULATIONS IN V4 COUNTRIES

## THE SIMPLIFIED DOCUMENTATION – FORM, PROBLEMS, SOLUTIONS

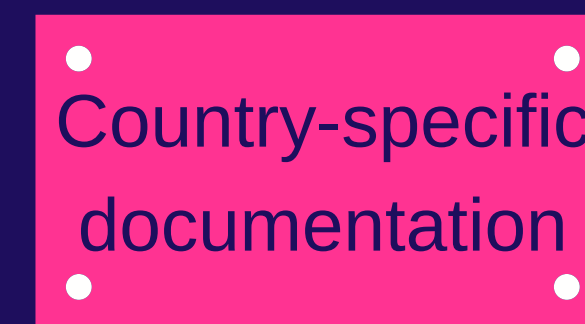
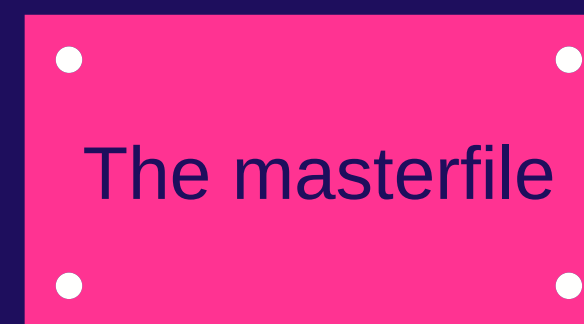
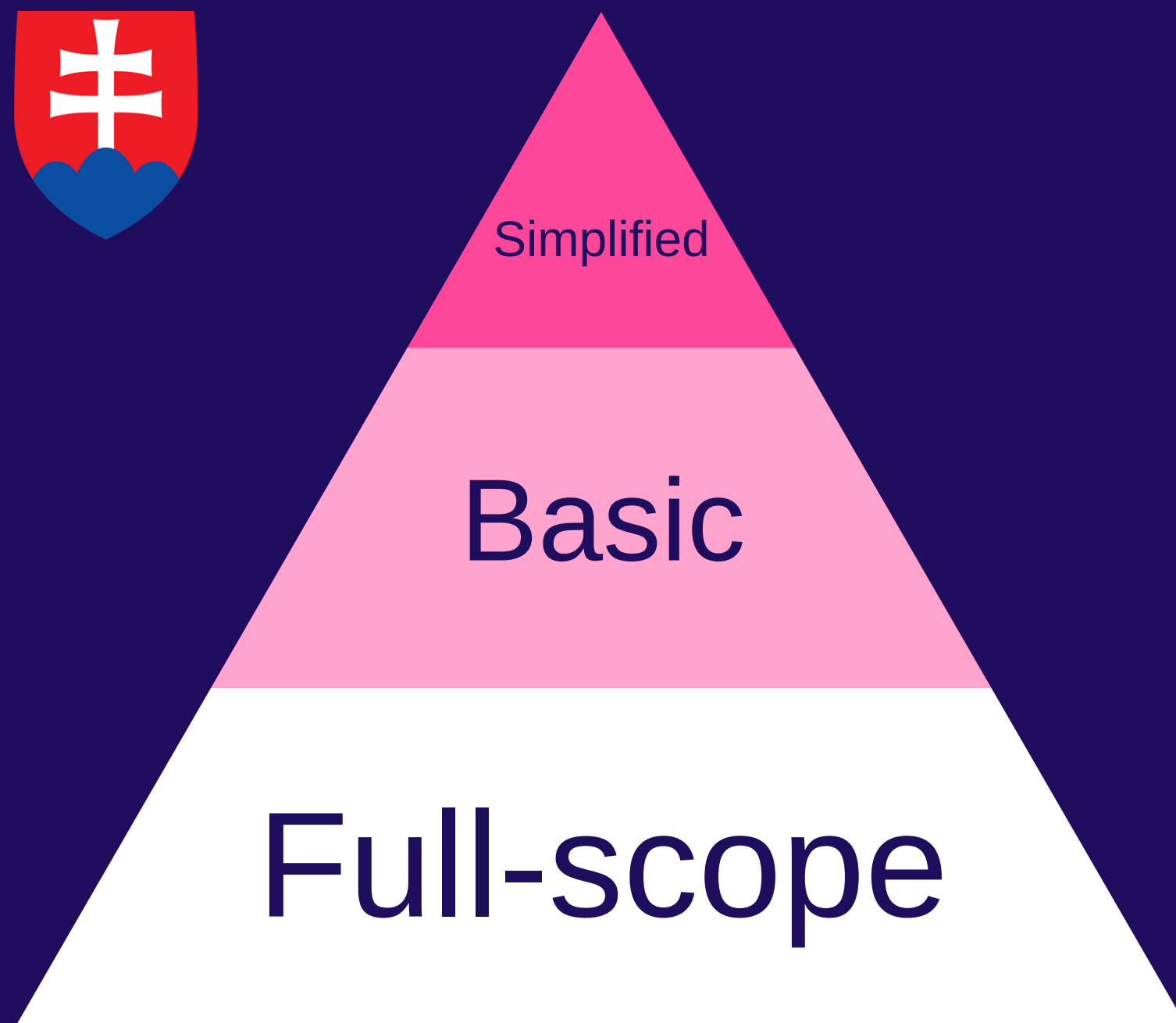
SLOVAK REPUBLIC

CLIA AGENCY

ING. ADAM ČIFFÁRY

**GUIDANCE NO. MF / 019153 / 2018-724 ON THE  
DETERMINATION OF THE CONTENT OF THE  
TRANSFER DOCUMENTATION**

**CODE OF CONDUCT ON TRANSFER PRICING  
DOCUMENTATION FOR ASSOCIATED ENTERPRISES  
IN THE EUROPEAN UNION (EU TPD)**



# THE SIMPLIFIED DOCUMENTATION

**THE REQUIREMENTS HAVE BEEN SIGNIFICANTLY SIMPLIFIED AND MADE MORE TRANSPARENT FOR THE PREPARATION OF DOCUMENTATION.**

**MOST TAXPAYERS WILL NOT KEEP DOCUMENTATION ON:**



insignificant domestic controlled transactions (except for taxpayers who benefit from tax relief § 30a)



insignificant cross - border controlled transactions (except for taxpayers carrying out transactions with dependent persons from non-contracting states)

# THE MAIN KEYS OF SIMPLIFIED DOCUMENTATION



Prescribed form



Only significant  
controlled transactions



Only summary  
transaction values



No additional explain  
about price setting  
(notes)

# COMPARISON

## CONTENT OF THE SIMPLIFIED DOCUMENTATION 2016

1. Aim of documentation
2. Slovak Legislative
3. Basic informations about company
4. Identification of members of company Group, including organizational and ownership structure
5. List and description of audited transactions of company in one tax period
6. Choice of transfer pricing method and price comparison
7. Conclusion
8. Additions (resources)

## CONTENT OF THE SIMPLIFIED DOCUMENTATION 2018



Prescribed form which is fill by taxpayer  
(next page)



## Overview of transactions with dependent persons

for the tax period

from

.

.

to

.

.

## I. part – Informations about taxpayer

01 Name and surname or business name or title

02 Legal form

03 Office / registered place of business

Street

Nr.

City

Postal code

04 Organization Identification Number

05 Tax Identification Number

06 SK NACE

*Main, predominant business activity*

07 Is the taxpayer part of a group of companies for which consolidated financial statements are prepared?

☐ Yes (go to question 08)☐ No (continue to Part II)08 Total revenues of the group of enterprises according to the consolidated financial statements.<sup>1</sup>☐ less than 10 mil. EUR☐ from 50 to 100 mil. EUR☐ from 300 to 500 mil. EUR☐ more than 750 mil. EUR☐ from 10 to 50 mil. EUR☐ from 100 to 300 mil. EUR☐ from 500 to 750 mil. EUR

Tax Identification Number of taxpayer

II. part – OVERVIEW OF TRANSACTIONS WITH ASSOCIATED PERSONS\*)

\*) to be filled in separately for each dependent with whom transactions for the relevant taxation period were carried out

01 Name and surname or business name or title of a associated person

02 State in which the associated person has its registered office or place of business

Code

03 A associated person was issued a decision to approve the transfer pricing method. Advance Pricing Agreement - APA that directly relates to one or more transactions with a taxpayer?

☐ Yes

APA Closure Year

☐ No

☐ Information not available

Transactions with an associated person - intangible assets, tangible assets and financial assets

Line	Item name	Long-term asset To be completed in thous. euros		Short - term assets To be completed in thous. euros	
		Revenue (Sale)	Original cost (Purchase)	Revenue (Sale)	Original cost (Purchase)
01	intangible assets				
02	tangible assets				
03	financial assets				

B Transactions with an associated person - inventories

Line	Item name	To be completed in thous. euros	
		Revenue (Sale)	Original cost (Purchase)
01	Material		
02	Inventory of own production		
03	Goods		

C Transactions with an associated person - services

Line	Item name	To be completed in thous. euros	
		Revenue	Cost
01	- management services		
02	- Research & Development		
03	- marketing services		
04	- mediation services		
05	- lease		
06	- other services		

D Transactions with an associated person – franchise fees

Line	Item name	To be completed in thous. euros	
		Revenue	Cost
01	Total franchise fees, of which:		
02	- softver		
03	- use of the industrial property		
04	- know-how		
05	- other franchise fees		

E Transactions with an associated person - interest <sup>2</sup>

Line	Item name	To be completed in thous. euros	
		Revenue	Cost
01	Total interest, of which:		
02	-credit agreements		
03	- from bonds		
04	- from cash-pooling		
05	- others		

F Transactions with an associated person - cost contribution agreements

Line	Item name	To be completed in thous. euros	
		Revenue	Cost
01	Total cost contribution agreements, of which:		
02	- service-oriented		
03	- asset creation		

G Transactions with an associated person - supplementary information <sup>3</sup>

Line	Item name	To be completed in thous. euros	
01	Insurance / reinsurance	Received	Provided
02	guarantees	Revenues	Costs

H Transactions with an associated person - Long - term receivables and payables

Line	Item name	Long - term <i>To be completed in thous. euros</i>	
		Balance at the end of the tax period	Balance at the end of the previous tax period
01	Total receivables, of which:		
1a	- loans, debt securities		
02	Total payables, of which:		
2a	- loans, debt securities		

# PROBLEMS

**I.**

**MOST COMPANIES IN SLOVAKIA FALL INTO THE CATEGORY OF SIMPLIFIED DOCUMENTATION**

**II.**

**THERE ARE SPECIFIC TYPES OF TRANSACTIONS IN EACH BUSINESS SECTOR**

**III.**

**RELATIONSHIPS BETWEEN DEPENDENT PERSONS ARE MOSTLY DIFFERENT (DIFFERENT PRICE LEVEL)**

**IV.**

**TAX INSPECTORS MAY REQUEST EXPLANATION OF PRICING EVEN AFTER SUBMITTING A SIMPLIFIED DOCUMENTATION**

**V.**

**IF THE PRICE SETTING IS WRONG THE COMPANY WILL NOT REALISE UNTIL THE TAX INSPECTION COMES**



# SOLUTIONS BY CLIA AGENCY

- 1. BE SURE WHO IS MY ASSOCIATED PERSON**
- 2. KNOW EVERY SINGLE CONTROLLED TRANSACTION**
- 3. SET PRICE IN CONTROLLED TRANSACTIONS AS MARKET PRICE**
- 4. FILL IN ATTACHMENT TO GUIDANCE NO. MF / 019153 / 2018-724**



- 1. ELABORATE THE SIMPLIFIED DOCUMENTATION FOLLOWING RULES FROM YEAR 2016**
- 2. DOCUMENTATION WILL SUPPORT YOU DURING FILLING THE ATTACHMENT AT THE END OF YEAR**
- 3. EASY ARGUMENTS DURING CONTROL PROCESS IN COMPANY**
- 4. EASIER PRICE SETTING – FOLLOWING RULES FROM PREVIOUS DOCUMENTATION**



# THANK YOU FOR YOUR ATTENTION !

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