

WAGE NEWS FOR 2023

1. New minimum wage

| Degree of difficulty | Minimum monthly wage 2022 | Minimum monthly wage 2023 | Minimum hourly wage 2023 | Year-on-year increase in monthly wage |
|----------------------|---------------------------|---------------------------|--------------------------|---------------------------------------|
| 1 | €646.00 | €700.00 | €4.023 | €54.00 |
| 2 | €762.00 | €816.00 | €4.690 | €54.00 |
| 3 | €878.00 | €932.00 | €5.356 | €54.00 |
| 4 | €994.00 | €1,048.00 | €6.023 | €54.00 |
| 5 | €1,110.00 | €1,164.00 | €6.690 | €54.00 |
| 6 | €1,226.00 | €1,280.00 | €7.356 | €54.00 |

2. New meal and travel reimbursement amounts

| Band | Amount effective 1 September 2022 | Amount effective 1 January 2023 |
|--|-----------------------------------|---------------------------------|
| meals from 5 to 12 hours | €6.40 | €6.80 |
| meals from 12 to 18 hours | €9.60 | €10.10 |
| meals more than 18 hours | €14.50 | €15.30 |
| basic reimbursement for two and three-wheeled vehicles on business trips | €0.063/km | €0.063/km |
| basic reimbursement for passenger cars on business trips | €0.227/km | €0.227/km |

The minimum catering voucher amount will be €5.10 beginning 1 January 2023 (75% of €6.80). The employer's contribution will be at least €2.81 and at most €3.74.

Paper catering vouchers will mostly be phased out by 31 December 2022 and electronic catering cards will be used to provide catering vouchers beginning 1 January 2023.

3. Standard personal deduction and child tax bonus

| Type | 2022 | 2023 |
|--|---------|---------|
| Monthly standard personal deduction | €381.61 | €410.24 |
| Tax bonus for each child under the age of 15 (beginning 1 July 2022) | €70.00 | |
| Tax bonus for each child under the age of 18 | | €140.00 |
| Tax bonus for each child over the age of 15 (beginning 1 July 2022) | €40.00 | |
| Tax bonus for each child over the age of 18 | | €50.00 |

4. Tax rate

| Tax rate | 2023 annual income | 2023 monthly income |
|----------|--------------------|---------------------|
| 19% | up to €41,445.46 | up to €3,456,78 |
| 25% | over €41,445.46 | over €3,456,78 |

5. Wage premiums

| | 2022 | 1/2023 - 5/2023 | 6/2023 - 12/2023 |
|--|-------|--------------------|---------------------|
| Premium for work on Saturdays | €1.79 | €1.79 | €2.02 |
| Premium for work on Sundays | €3.58 | €3.58 | €4.03 |
| Premium for work on holidays | +100% | +100% | +100% |
| Premium for work at night - non-hazardous work | €1.43 | €1.43 | €1.61 |
| Premium for work at night - hazardous work | €1.79 | €1.79 | €2.02 |
| Premium for work in difficult environments | €0.72 | €0.72 | €0.81 |
| Premium for overtime - non-hazardous work | +25% | +25% | +25% |
| Premium for overtime - hazardous work | +35% | +35% | +35% |

6. Child benefits

| Type | 2022 | 2023 |
|------------------------------|--------|--------|
| Child benefits | €30.00 | €60.00 |
| Supplement to child benefits | €30.00 | €30.00 |

7. Subsistence minimum

| Type | until 30 June 2023 |
|--------------------------------|--------------------|
| For an adult | €234.42 |
| Another jointly assessed adult | €163.53 |
| Child | €107.03 |

8. Kurzarbeit (short-time working) support

| Type | 2022 | 2023 |
|--|---------|---------|
| Support per hour for obstacles to work attributable to the employer of up to | €7.8138 | €8.3517 |

9. Children's sport and recreation benefits

| Type | 2022 | 2023 |
|---|---|---|
| Recreation benefits in the amount of 55% of eligible costs | Up to €275 per calendar year | Up to €275 per calendar year |
| Children's sports benefits in the amount of 55% of eligible costs | Up to €275 per calendar year for all children | Up to €275 per calendar year for all children |

10. News

- ◆ The parent pension is being introduced. In addition to current pensions, the Social Insurance Administration will automatically pay parents 1.5% of the average monthly assessment basis for children insured in Slovakia for the previous two years. Children must file notice if they do not intend to provide their parent with the parent pension by 28 February 2023. The pension will be paid as a lump sum for the entire year and is expected to be paid out in December 2023. Beginning in 2024, the parent pension will be paid monthly with the standard pension.
- ◆ The plan for introducing annual settlement of social insurance payments is being shelved. Annual settlement of health insurance payments remains unchanged.
- ◆ The Social Insurance Administration is expanding records of analytical data for all employees. In addition to the previously provided data on employees and their legal relationships, it introduces the obligation to record the numerical code for place of work according to the statistical codebook, the agreed range of weekly working hours, the number of hours that corresponds to their income and the numerical code of the agreed type of work performed. This obligation applies to new legal relationships from 2023, and unfortunately also to all existing and ongoing relationships. Therefore, employers must report data for all employees and other registered persons by the deadline for submitting the Monthly Statement/Insurance Premium Statement for the month of January 2023. For this purpose, we invite clients to provide this missing data.
- ◆ The Social Insurance Administration introduced a new obligation to notify the beginning and end of the application of the statutory insurance contribution deduction for students working on temporary student work agreements and selected pensioners. Students and pensioners are obliged to file the form to apply for the statutory insurance contribution deduction for existing agreements from 2022 that continue on into 2023 to their employer by the end of 2022. Employers will then register this fact with the Social Insurance Administration.
- ◆ A new type of agreement that may be concluded with employees was added to the Labour Code beginning in January 2023. This is a seasonal work agreement. Up to 520 hours per calendar year may be worked under such agreement, and it is limited to specifically defined agricultural, tourism, food industry, and forest management work.
- ◆ The contribution rate for the 2nd pillar of old-age pension savings remains unchanged for 2023. It remains at the level of 5.5% from 2022. Changes will occur only in 2025, when it will increase to 5.75% and in 2027 to 6%. One-time withdrawals from 2nd pillar savings will be subject to taxation beginning on 1 January 2024.
- ◆ The new paternity benefits introduced in November 2022 apply in 2023 as well. The benefit is intended for fathers and up to 14 days may be taken within the first six weeks after the birth of a child. Fathers are eligible for the benefits regardless of if the mother is on maternity leave or parent leave at the same time for the same child. The currently valid maternity benefits for fathers covering 26 weeks within the first 3 years after the birth of the child continue to apply.
- ◆ Effective 1 February 2023, the amended Social Insurance Act allows the Social Insurance Administration to issue a general pardon on penalties on outstanding premiums and contributions towards old-age pension savings related to the period prior to 1 July 2022 and which are paid by 31 August 2023.

