



# STARTING A BUSINESS

**S A R I O**

Slovak Investment  
and Trade Development Agency

## STANDARDIZED COMPANY

**Legal Form:** Spoločnosť s ručením obmedzeným  
(Limited Liability Company)  
abbreviation: (s.r.o. or spol. s r.o.)

A Spoločnosť s ručením obmedzeným (SRO) may be established by one or more founders (up to 50), either legal or natural persons, irrespective of their nationality. The company's registered seat must be in Slovakia.

**Minimum capital requirement:** SKK 200,000 or Eur 5,000

The minimum registered capital in the SRO is SKK 200,000 or EUR 5,000 and minimum contribution by one partner (shareholder) is at least SKK 30,000 or EUR 750. The registered capital must be paid up within the time period set out by the Foundation Deed, however at latest within five years from the date of incorporation. If the company is founded by a single founder, 100% of the registered capital must be paid before the incorporation. It can be contributed in kind or in cash. In case of in-kind contributions, certain valuation procedures must be followed.

### Corporate bodies

A SRO has the following bodies:

- a) general meeting, and
- b) executive(s).

General meeting is the supreme body that decides on the major corporate matters of the company. Executive(s) are the statutory body authorized to act on behalf of the company.

A supervisory board may also be established but it is not obligatory. In addition to the above two mandatory bodies, general meeting may appoint a proxy, i.e. a natural person authorized to do all legal acts on behalf of the company, except from transferring and charging real estates (unless specifically approved by the general meeting).

### Liability

The company shall be liable for any breach of its obligations with its entire property.

Each member's liability for the company's obligations is limited to the outstanding part of its contribution to the registered capital of the company which is registered with the Commercial registry.

## Some important steps before starting a business

1. Obtain extract of the clean criminal registry of the Executive (s)	
Time to complete:	1 day
Cost to complete:	SKK 100
Comments:	The extract is not required for commercial registration, but is required for getting trade license. The extract from foreign country must be apostilled or superlegalized.
2. Check the uniqueness of the proposed company name	
Time to complete:	1 day
Comments:	Before incorporation it is necessary to verify the uniqueness of the proposed business name. It can be done via internet on the official Commercial Registry web page or by SKK 100 in Registry Court office.
3. Execution of Memorandum of Association/ Foundation Deed	
Time to complete:	The whole procedure, including drafting of the documents may take at about 1-2 weeks, or longer if without professional help.

Cost to complete:	Notary fees for verifying a signature: SKK 71/signature. The approximate lawyer's fees for drafting of the documents are about SKK 15,000 – 35,000.
Comments:	<p>SRO is established by execution of a Foundation Deed (in case of more founders by execution of a Memorandum of Association). Signatures of the founders have to be certified by a notary. It may also be executed by a person authorized to do so by the founder. The power of attorney - with an officially authenticated signature of the founder - shall be attached to the Memorandum of Association.</p> <p>The founder(s) must appoint one or more first executive(s) who can only be natural persons. Their names have to be included in the Foundation Deed.</p>
<b>4. Apply for trade license to run a business at the local administrative body – Obvodný úrad</b>	
Time to complete:	5 days for a standard license, 30 days for special license
Cost to complete:	total sum depend on the number of the scopes of business, per each scope a stamp of SKK 100 (approx. EUR 3) is required.
Comments:	<p>The trade license has to be obtained before the application for registration of the company can be filed with the commercial register.</p> <p>Trade license must be obtained with respect to each of the desired business activities to be performed by the company. Often at the time of foundation, a company is established with a standard general scope of business for which a simple general business license is required. The scope of business can then be later amended and additional business licenses can be obtained when they are required.</p> <p>The list of documents required for obtaining of trade license:</p> <p>Filled-in form Copy of Foundation Deed / Memorandum of Association Documents verifying the expertise in specific business activities Extract from the criminal registry of the Executives (no older than 3 months) – if foreigners Fee stamp – SKK 100 (approx. EUR 3) Residency permits of Executive(s) - not necessary if they are EU or OECD citizens</p> <p>For certain types of business stipulated by law company needs to appoint a responsible representative for every location from where they operate. The responsible representative must have his permanent or temporary residence in Slovakia and must be the company's employee.</p>
<b>5. Open a bank account</b>	
Time to complete:	1 day
Cost to complete:	Sk 500, varies from bank to bank
Comments:	<p>Prior to the registration of the company with the Commercial Register the investment contributions or portions thereof must be administered by the custodian so entrusted in the Deed of Association, i.e. one of the founders or a bank. If there is one shareholder in s.r.o. the capital must be fully paid before applying for incorporation, otherwise, at least 30% of each shareholder's capital and in total at least Sk 100,000 must be paid. The custodian of contributions under subsection 1 above shall be obliged to release a written statement on the paid-up parts of contributions by individual partners (members). Such statement shall be enclosed to the application for the incorporation. In the latter case, the opening of a bank account is necessary.</p>
<b>6. Apply for incorporation at the Registry Court</b>	
Time to complete:	5 days
Cost to complete:	SKK 10,000 – incorporation fee
Comments:	<p>Company shall officially come into existence on the date on which it is incorporated into the Companies Register. The application must be filed not later than 90 days from the establishment or from the receipt trade license.</p> <p>The list of documents required for the incorporation is</p> <p>Filled-in form (Annex no. 7 to Regulation no. 25/2004 Coll.) signed by all executives and their signatures have to be certified Foundation Deed/ Memorandum of Association signed by all executives and their signatures</p>

	<p>have to be certified  Copy of trade license - notary certified  Extract from the Commercial Registry of the founder(s) - if legal entities  Representation of the Administrator of the Founder's contributions to the registered capital  Document proving title to the property to be registered as the seat of the company  Declaration that the founder who is a limited liability company, has more than one member  Fee stamp – SKK 10,000 (approx. EUR 300)  Residency permits of Executive(s) - not necessary if they are EU citizens  Copy of the Executive(s) passport, if the Executive is not a Slovak citizen  Specimen signature of the Executive(s) - notary certified</p> <p>Incorporation time is 5 working days when all necessary documents are submitted. In some cases the period may be extended for another 10 days. The proposal for the registration of the company needs to be signed by all executives and their signatures have to be certified.</p>
<b>7. Register with the tax authorities for income tax and VAT</b>	
Time to complete:	7 days
Cost to complete:	no charge
Comments:	<p>The tax number for income tax purposes and also registration for VAT purposes is processed within 7 days from application.</p> <p>A company doing business in Slovakia must register for corporate income tax purposes within 30 days from the date of its registration in the Commercial Register. The registration form must be filed with the local Tax Office, depending on registered seat of the company.</p> <p>If the company has any employees, it must also register for personal income tax purposes. This must be done within 15 days from the date when its first employee receives the salary. However, as the same registration form is used for corporate and personal income tax purposes, it is also possible to file one registration form for corporate and personal income tax purposes at the same time.</p> <p>The company is obliged to register for VAT purposes in case its turnover in the immediately preceding 12 calendar months reaches the registration threshold of Sk 1.500.000. It is possible to apply for VAT registration voluntarily.</p>
<b>8. Register with social insurance at the local Social Insurance Office (Socialna poistovna)</b>	
Time to complete:	1 day
Cost to complete:	no charge
Comments:	<p>The company must register employees for pension, sickness, disability insurance and unemployment insurance at the local Social Insurance Office ("Socialna poistovna") prior to their starting work. Also, the company has to register to the employers register within 8 days after a first employee started working for the company.</p>
<b>9. Register for health care insurance at any Zdravotna poistovna company that the employees choose</b>	
Time to complete:	1 day
Cost to complete:	no charge
Comments:	<p>For health insurance purposes, the company must be registered with Health Insurance Companies ("Zdravotna poistovna"), depending on the employees' choice of insurance company (the registration must be made within 8 days after employee started or should have started working for the company).</p>



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**Slovak Investment  
and Trade Development Agency**

**Slovak Investment and Trade Development Agency**  
Martinčekova 17  
821 01 Bratislava  
Slovak republic

Tel: +421 2 58 260 100  
Fax: +421 2 58 260 109  
e-mail: **sario@sario.sk**



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