VALUE ADDED TAX ACT (ZDDV-1)

I. SCOPE AND CONTENTS OF THE ACT

Article 1

(Contents of the act)

(1) This Act shall regulate the system of value added tax and impose the obligation to pay the value added tax (hereinafter: VAT) in the territory of the Republic of Slovenia in accordance with:


(2) The terms used in this Act shall have the following meaning:

- "the territory of Slovenia" shall mean the territory under the sovereignty of the Republic of Slovenia, including air space and maritime areas, over which the Republic of Slovenia exercises its sovereignty or jurisdiction, in accordance with internal and international law;

- "territory of a Member State","a Member State” and “Union” shall mean the territory of the Member States and the territory of the Union defined as such in the regulations of the European Union;

- a "third country" shall mean any territory other than the territory of Slovenia and the territory of other Member States or the Union;

- "third territory" shall mean a part of the territory of a Member State, which is not an integral part of the territory of a Member State, as defined in the second indent of this paragraph:
a) the territories which form a part of the customs territory of the Union:

– in the Hellenic Republic: 'Ayia'Opos (Mount Atos);

– in the Kingdom of Spain: The Canary Islands;

– in the French Republic: the French territories referred to in Article 349 and paragraph 1 of Article 355 of the Treaty on the Functioning of the European Union;

- in the Republic of Finland: Aland Islands;

– in the United Kingdom of Great Britain and Northern Ireland: the Channel Islands;

a) the territories not forming part of the customs territory of the EU:

– in the Federal Republic of Germany: the Island of Helgoland and the territory of Büsingen;

– in the Kingdom of Spain: Ceuta and Melilla;

– in the Italian Republic: Livigno, Campione d’Italia, and the Italian waters of Lake Lugano.

(3) In accordance with this Act:

- transactions to or from the Principality of Monaco shall be treated as transactions to or from the French Republic;

- transactions to or from the Isle of Man shall be treated as transactions to or from the United Kingdom of Great Britain and Northern Ireland and

- transactions to or from the United Kingdom Sovereign Base Areas of Akrotiri and Dhekelia shall be treated as transactions to or from Cyprus.

Article 2

(VAT revenue)

Revenues from VAT belong to the budget of the Republic of Slovenia.

Article 3

(Object of taxation)

(1) The following transactions shall be subject to VAT:

1. The supply of goods for consideration within the territory of the Republic of Slovenia (hereinafter referred to as "Slovenia") by a taxable person (hereinafter referred to as "taxable person") in the course of his economic activity;

2. The intra-Community acquisition of goods for consideration within the territory of Slovenia by:
a) a taxable person acting as such, or a non-taxable legal person, where the vendor is a taxable person acting as such in another Member State, who is not eligible for exemption for small enterprises according to the laws of this Member State and who is not subject to the regulation from paragraphs (3), (4) or (10) of Article 20 of this Act;

b) in the case of new means of transport, a taxable person, or a non-taxable legal person, whose other acquisitions are not subject to VAT pursuant to point d) of paragraph (1) of Article 4 of this Act, or any other non-taxable person;

c) in the case of products subject to excise duty, where the excise duty on the intra-Community acquisition is chargeable, pursuant to the act governing excise duties, in Slovenia, a taxable person, or a non-taxable legal person, whose other acquisitions are not subject to VAT pursuant to point d) of paragraph (1) of Article 4 of this Act;

3. The supply of services for consideration within the territory of Slovenia by a taxable person in the course of his economic activity;

4. The importation of goods.

(2) For the purposes of point 2. b) of paragraph (1) of this Act, the following shall be regarded as "means of transport", where they are intended for the transport of persons or goods:

- motorized land vehicles the capacity of the which exceeds 48 cubic centimeters or the power of which exceeds 7.2 kilowatts;

- vessels exceeding 7.5 meters in length, with the exception of vessels used for navigation on the high seas and carrying passengers for reward, and of vessels used for the purposes of commercial, industrial or fishing activities, or for rescue or assistance at sea, or for inshore fishing;

- aircraft the take-off weight of which exceeds 1,550 kilograms, with the exception of aircraft used by airlines operating for reward chiefly on international routes.

(3) The means of transport referred to in paragraph (2) of this Article shall be regarded as new where one of the following conditions is met:

- vessels and aircraft were supplied less than three months from the date of first entry into service, and motorized land vehicles less than six months from the date of first entry into service, and

- that motorized land vehicles have travelled for no more than 6000 kilometers, and vessels have sailed for no more than 100 hours, and aircraft have flown for no more than 40 hours.

(4) For the purposes of point 2 c) of paragraph (1) of this Article, "products subject to excise duty" shall be considered to be fuels, alcohol and alcoholic beverages and tobacco products, as defined by current Union legislation, but not gas supplied through the natural gas distribution system established in the territory of the Union or through any network connected with such system.
Article 4

(Transactions not subject to taxation)

(1) Disregarding to point 2.a) of the paragraph (1) of Article 3 of this Act, the following transactions shall not be subject to VAT:

a) the acquisition of goods by a taxable person or a non-taxable legal person, where the supply of such goods within the territory of Slovenia would be exempt pursuant to Article 53 or points a) to d) of paragraph (1) of Article 54 of this Act;

b) the intra-Community acquisition of second-hand goods, works of art, collectors' items or antiques, where the vendor is a taxable dealer and VAT has been applied to the goods in the Member State in which their dispatch or transport began, in accordance with special arrangements provided for second-hand goods, works of art, collectors' items and antiques;

c) the intra-Community acquisition of second-hand goods, works of art, collectors' items or antiques, where the vendor is an organizer of sales by public auction, acting as such, and VAT has been applied to the goods in the Member State in which their dispatch or transport began, in accordance with the special arrangements provided for sales by public auction;

d) the acquisition of goods, other than goods from points from a) to c) and other than new means of transport or products subject to excise duty, by a taxable person from paragraph (2) of Article 94 of this Act for the purposes of his agricultural, forestry or fisheries business subject to taxation in accordance with the special arrangements for farmers, or by a taxable person who carries out only supplies of goods or services in respect of which VAT is not deductible, or by a non-taxable legal person.

(2) Point d) of paragraph (1) of this Article shall apply only if the following two conditions are met:

a) during the current calendar year, the total value of intra-Community acquisitions of goods does not exceed 10,000 euros and

b) during the previous calendar year, the total value of intra-Community acquisitions of goods did not exceed the amount from the preceding point.

(3) The amount from paragraph (2) of this Article shall consist of the total value, exclusive of VAT due or paid for the goods acquired in the Member State in which their dispatch or transport began.

(4) Notwithstanding the provision of point d) of paragraph (1) of this Article, a taxable person or a non-taxable legal person may opt to charge VAT in accordance with point 2. a) of paragraph (1) of Article 3 of this Act. The taxable person or legal person must notify their option to the Financial Administration of the Republic of Slovenia (hereinafter: the tax authority) in advance, and shall apply it for at least two calendar years from the first day of the month following the month of notification.
II. TAXABLE PERSONS

Article 5

(Definition)

(1) "Taxable person" shall mean any person who, independently, carries out in any place any economic activity, whatever the purpose or results of that activity.

(2) "Economic activity" from paragraph (1) of this Article shall comprise any production, manufacturing, trading and service activity, including mining, agricultural and professional activity. The exploitation of tangible and intangible property for the purpose of obtaining income there from on a continuing basis shall also be regarded as an economic activity.

(3) In addition to the persons referred to in paragraph (1) of this Article, any person who, on an occasional basis, supplies a new means of transport, which is dispatched or transported to the customer by the vendor or the customer, or on behalf of the vendor or the customer, within the territory of the Union, shall also be regarded as a taxable person.

(4) The condition in paragraph (1) of this Article that the economic activity be conducted independently shall exclude the employed and other persons from VAT in so far as they are bound to an employer by a contract of employment or any other legal ties creating the relationship of employer and employee as regards working conditions, remuneration and employer's liability in respect of work supervision and instructions.

(5) State authorities and organizations, local government authorities and other bodies governed by public law shall no be regarded as taxable persons in respect of the activities or transactions in which they engage as public authorities, even where they collect dues, fees, contributions or payments in connection with those activities or transactions. However, when they engage in such activities or transactions, they shall be regarded as taxable persons in respect of those activities or transactions where their treatment as non-taxable persons would lead to significant distortions of competition.

III. TAXABLE TRANSACTIONS

1. Supply of goods

Article 6

(General)

(1) "Supply of goods" shall mean the transfer of the right to dispose of tangible property as owner.

(2) Each of the following shall also be regarded as a supply of goods:

a) transfer of the ownership of property against payment of compensation, in pursuance of the law or in pursuance of the decision of the State authority;
b) the actual handing over of goods pursuant to a contract for the hire of goods for a certain period, or for the sale of goods on deferred terms, which provides that in the normal course of events ownership is to pass at the latest upon payment of the final installment;

c) transfer of goods pursuant to a contract under which commission is payable on purchase or sale.

(3) Electricity, gas, heat or cooling energy and the like shall be threatened as goods.

Article 7

(Use of Goods for Non-Business Purposes)

(1) The application by a taxable person of goods forming part of the business assets or for his private use or for that of his staff, or their disposal free of charge or, more generally, their application for purposes other than those of his business, shall be treated as a supply of goods for consideration, where the VAT on those goods or the component part thereof was wholly or partly deductible.

(2) Notwithstanding the provisions of paragraph (1) of this Article, the following shall not be considered as supply of goods for consideration:

a) giving of free samples in reasonable quantities to customers or potential customers, provided they are not placed on sale by these customers or potential customers, or if they come in a form which prevents them from being sold;

b) giving of gifts of small value during the performance of the taxable person’s activity, provided that this is done only occasionally and not to the same persons. Small value gifts are considered to be those whose individual value does not exceed 20 euros.

Article 8

(Application of goods for the performance of activity, change in the intended purpose of use and retention of goods following the cessation of activities)

The following shall also be considered for the supply of goods effected for consideration:

a) the application of goods which a taxable person produces, constructs, purchases, processes or imports in the performance of his activity for the purpose of pursuing his activity, where he would not be entitled to a full input VAT deduction on these goods if the goods had been acquired from another taxable person;

b) the application of goods by a taxable person for the purpose of non-taxable transactions where the VAT on these goods was wholly or partly deductible on the acquisition or application of goods pursuant to the preceding point;

c) the retention of goods by a taxable person or his successors (except in cases from Article 10 of this Act) when the taxable person ceases to perform a taxable economic activity where the VAT on these goods was wholly or partly deductible on the acquisition or application of the goods pursuant to point a) of this Article.
Article 9

(Transfer of goods to another Member State)

(1) The transfer by a taxable person of goods forming part of his business assets to another Member State shall be treated as a supply of goods for consideration.

(2) The transfer of goods to another Member State pursuant to paragraph (1) of this Article shall be deemed to have been made if a taxable person or another person acting on his behalf dispatches or transports the goods for the purposes of his business to another Member State, except for the purposes of any of the following transactions:

a) the supply of the goods by the taxable person within the territory of the Member State in which dispatch or transport ends, in accordance with the conditions specified in paragraph (4) of Article 20 of this Act;

b) the supply of the goods for installation or assembly by or on behalf of the supplier within the territory of the Member State in which dispatch or transport of the goods ends, in accordance with paragraph (10) of Article 20 of this Act;

c) the supply of goods by the taxable person on board of a ship, an aircraft or a train in the course of a passenger transport operation, in accordance with the conditions laid down in Article 21 of this Act;

d) supplies of gas through the natural gas distribution system established in the territory of the Union or through any network connected with such system, supplies of electricity or energy for heating or cooling through district heating or cooling networks under the provisions of Article 22 of this Act.

e) the supply of goods by the taxable person in accordance with the conditions laid down in Articles 46, 52, 53 and 54 of this Act;

f) the supply of services relating to the valuation or work on goods physically carried out in the territory of the Member State in which dispatch or transport of the goods ends, provided that the goods are returned to the taxable person in Slovenia following the valuation or completion of work on such goods;

g) temporary use of the goods within the territory of the Member State in which dispatch or transport of the goods ends, for the purposes of the supply of services in this Member State by the taxable person established in Slovenia;

h) temporary use of the goods, for a period not exceeding 24 months, within the territory of another Member State, in which the temporary importation of the same goods from a third country with a view to their temporary use would be covered by the arrangements for temporary importation with full exemption from import duties.

(3) If one of the conditions governing eligibility under paragraph (2) of this Article is no longer met, the goods shall be regarded as having been transferred to another Member State. In such cases, the transfer shall be deemed to take place at the time when that condition ceases to be met.
Article 10

(Transfer of companies)

(1) In the event of transfer of a company or a part thereof to another taxable person, whether for consideration or not or as a contribution to a company, it shall be deemed that no supply of goods has taken place.

(2) In the case from paragraph (1) of this Article, the recipient shall, for VAT purposes, be deemed to be the legal successor of the transferor.

(3) Notwithstanding paragraph (1) of this Article, a recipient who uses acquired assets for purposes other than those for which he is entitled to input VAT deduction, shall be liable to pay VAT in accordance with the provisions of this Act which apply to the charging of VAT for the use of goods and services for private purposes.

2. Intra-Community acquisition of goods

Article 11

(General)

(1) "Intra-Community acquisition of goods" shall mean the acquisition of the right to dispose as owner of movable tangible property dispatched or transported to the person acquiring the goods in Slovenia from another Member State by or on behalf of the vendor or the person acquiring the goods or by another person for the account of either of them.

(2) Where the goods are imported by a non-taxable legal person and are acquired within the Union in another Member State, that Member State shall grant the importer a refund of the VAT paid in respect of the importation of goods into Slovenia, provided that the importer establishes that VAT has been applied to his acquisition of goods within the Union in the Member State in which dispatch or transport of the goods ends.

(3) VAT refund from paragraph (2) of this Article shall be performed in the manner laid down by the minister responsible for finance (hereinafter referred to as the "minister responsible for finance").

Article 12

(Transactions regarded as intra-Community acquisitions of goods)

Intra-Community acquisition of goods for consideration shall also be regarded the use of goods dispatched or transported by a taxable person for the purposes of his business or on behalf of the taxable person to Slovenia from another Member State within which the goods were produced, extracted, processed, purchased, acquired or imported by the taxable person within the framework of performing his activities.
Article 13

(NATO)

The application by the armed forces of a party to the North Atlantic Treaty, for their use or for the civilian staff accompanying them, of goods which they have not purchased subject to the general rules governing taxation in Slovenia, shall also treated as an intra-Community acquisition of goods for consideration, where the importation of those goods would not be eligible for the exemption provided for in point 8, paragraph (1) of Article 50 of this Act.

3. Supply of services

Article 14

(General)

(1) "Supply of services" shall mean any transaction which does not constitute a supply of goods.

(2) Supply of services may consist, inter alia, in one of the following transactions:

a) the assignment of intangible property;

b) the obligation to refrain from an act, or to tolerate an act or situation;

c) the performance of services in pursuance of the law or in pursuance of an order made by a public authority.

Article 15

(Supply of services for non-business purposes)

Each of the following transactions shall be treated as a supply of services for consideration:

a) the use of goods forming part of the assets of a business for the private use of a taxable person or his staff or, more generally, for purposes other than those of his business, where the VAT on such goods was wholly or partly deductible;

b) the supply of services carried out free of charge by a taxable person for his private use or for that of his staff or, more generally, purposes other than those of his business.

Article 16

(Supply of services in one's own name and on behalf of another person)

Where a taxable person acting in his own name but on behalf of another person, takes part in a supply of services, he shall be deemed to have received and supplied those services himself.
Article 17

(Particular provision)

The provisions of Article 10 of this Act shall apply in a like manner to the supply of services.

4. Importation of goods

Article 18

(Definition)

Importation of goods shall mean:

1. each entry of goods into the Union which, in accordance with customs legislation, do not have the status of Community goods or goods imported from a third country, and which are not released into the free circulation within the Union in accordance with customs regulations;

2. each entry of goods other than those from the preceding point coming into the Union from a third territory.

IV. PLACE OF TAXABLE TRANSACTIONS

1. Place of supply of goods

Article 19

(Supply of goods without transport)

Where goods are not dispatched or transported, the place of supply of goods shall be deemed to be the place where the goods are located at the time when the supply takes place.

Article 20

(Supply of goods with transport)

(1) Where goods are dispatched or transported by the supplier, or by the customer, or by a third person, the place of supply shall be deemed to be the place where the goods are located at the time when dispatch or transport of the goods to the customer begins.

(2) However, if a dispatch or transport of the goods begins in a third territory or third country, both the place of supply by the importer and the place of any subsequent supply shall be deemed to be within the Member State of importation of the goods.

(3) By way of derogation from paragraphs (1) and (2) of this Article, the place of supply of goods dispatched or transported by or on behalf of the supplier from a Member State other than in which dispatch or transport of the goods ends shall be deemed to be the place where the goods are located at the time when dispatch or transport of the goods to the customer ends, where the following conditions are met:
a) the supply of goods is carried out for a taxable person, or a non-taxable legal person, whose
intra-Community acquisitions of goods are not subject to VAT or for any other non-taxable
person;

b) the goods supplied are neither new means of transport nor goods supplied after assembly or
installation, with or without a trial run, by or on behalf of the supplier.

(4) Where the goods supplied from the paragraph (3) are dispatched or transported from a
third territory or from a third country and imported by the supplier into a Member State other
than that in which dispatch or transport of the goods ends, they shall be regarded as having
been dispatched or transported from the Member State of importation.

(5) Paragraphs (3) and (4) of this Article shall not apply to supplies of goods all of which are
dispatched or transported to the same Member State, where the Member State is the Member
State in which dispatch or transport of the goods ends, provided that the following conditions
are met:

a) the goods supplied are not products subject to excise duty;

b) the total value, exclusive of VAT, of such supplies effected under the conditions laid down
in paragraph (3) of this Article within that Member State does not in any one calendar year
exceed the amount determined by that Member State and published on the website of the
European Commission;

c) the total value of such supplies, exclusive of VAT, effected within that Member State did
not in the previous calendar year exceed the required amount.

(6) The taxable person that meets the conditions from paragraph (5) of this Article may
determine the place of such supply in accordance with paragraphs (3) and (4) of this Article.
The taxable person shall notify his option in advance to the tax authority and shall
exercise it for at least two calendar years from the first day of the month following the month
of notification.

(7) If the conditions from paragraph (3) of this Article are met, the place of supply of goods
dispatched or transported by or on behalf of the supplier from another Member State to
Slovenia shall be deemed to be Slovenia, provided that the total value of supplies effected by
the supplier in the current calendar year or in the previous year exceeds EUR 35,000 or
provided that the supplier decides that, notwithstanding the fact that the value of supplies
effected by him in the current calendar year did not exceed the specified amount, the place of
such supplies shall be Slovenia.

(8) If the conditions from paragraph (3) of this Article are met, the place of supply of goods
dispatched or transported by or on behalf of the supplier from Slovenia to another Member
State shall be deemed to be that Member State, provided that the total value of supplies
effected by the supplier in the current calendar year or in the previous year exceeds the
amount determined by that Member State, or provided that the supplier decides that,
notwithstanding the fact that the value of supplies effected by him in the current calendar year
did not exceed the specified amount, the place of such supplies shall be that other Member
State.
(9) The provisions of paragraphs (3) to (6) of this Article shall not apply to supplies of second-hand goods, works of art, collectors' items or antiques subject to VAT in accordance with special arrangements.

(1) Where the goods dispatched or transported by the supplier, by the customer or by a third person are installed or assembled, with or without a trial run, by or on behalf of the supplier, the place of supply shall be deemed to be the place where the goods are installed or assembled.

Article 21

(Supply of goods on board ships, aircraft or trains)

(1) Where the goods are supplied on board ships, aircraft or trains during the section of a passenger transport operation effected within the Union, the place of supply shall be deemed to be at the point of departure of the passenger transport.

(2) For the purposes of paragraph (1) of this Article, "section of a passenger transport operation effected within the Union" shall mean the section of the operation effected, without a stopover outside the Union, between the point of departure and the point of arrival of the passenger transport.

(3) "Point of departure of a passenger transport" shall mean the first scheduled point of passenger embarkation within the Union, where appropriate after a stopover outside the Union.

(4) "Point of arrival of a passenger transport" shall mean the last scheduled point of disembarkation within the Union of passengers who embarked in the Union, where appropriate before a stopover outside the Union.

(5) In the case of a return trip, the return leg shall be regarded as a separate transport operation.

Article 22

(Supply of gas through the natural gas distribution system, supply of electricity and energy for heating and cooling through district heating and cooling networks)

(1) In the supply of gas through the natural gas distribution system established in the territory of the Union or through any network connected with such system, the supply of electricity or energy for heating or cooling through district heating or cooling networks, the place of delivery to a taxable dealer shall be considered to be the place where the taxable dealer has established his business or has a fixed establishment for which the goods are supplied, or, in the absence of such a place of business or fixed establishment, the place where he has his permanent address or usually resides.

(2) For the purposes of paragraph (1) of this Article, "taxable dealer" shall mean a taxable person whose principal activity in respect of purchases of gas, electricity, energy for heating or cooling is reselling of those products and whose own consumption of those products is negligible.
(3) In the case of the supply of gas through the natural gas distribution system established in the territory of the Union or through any network connected with such system, or of electricity or energy for heating and cooling through district heating or cooling networks not covered by paragraph (1) of this Article, the place of supply shall be deemed to be the place where the customer effectively uses and consumes gas, electricity or energy for heating or cooling.

(4) Where all or part of the gas, electricity or energy for heating or cooling is not effectively consumed by the customer from paragraph (3) of this Article, those non-consumed goods shall be deemed to have been used and consumed at the place where the customer has established his business or has a fixed establishment for which the goods are supplied. In the absence of such a place of business or fixed establishment, the customer shall be deemed to have used and consumed the goods at the place where he has his permanent address or usually resides.

2. Place of an intra-Community acquisition of goods

Article 23

(Place of an intra-Community acquisition of goods)

(1) The place of an intra-Community acquisition of goods shall be deemed to be the place where dispatch or transport of the goods to the person acquiring them ends.

(2) Without prejudice to paragraph (1) of this Article, the place of an intra-Community acquisition of goods shall be deemed to be within the territory of the Member State which issued the VAT identification number under which the person acquiring the goods made the acquisition, unless the person acquiring the goods establishes that VAT has been applied to that acquisition in another Member State in accordance with paragraph (1) of this Article.

(3) If VAT is applied to the acquisition in accordance with paragraph (2) of this Article and subsequently applied to the acquisition in the Member State in which dispatch or transport of the goods ends, the taxable amount shall be reduced accordingly in the Member State which issued the VAT identification number under which the person acquiring the goods made the acquisition.

(4) Without prejudice to paragraph (2) of this Article, VAT shall be deemed to have been applied to the acquisition of goods in accordance with paragraph (1) of this article, if:

a) the person acquiring the goods establishes that he has made the acquisition for the purposes of a subsequent supply, within the territory of the other Member State identified in accordance with paragraph (1) of this Article, for which the person to whom the supply is made has been designated as liable for payment of VAT and

b) the person acquiring the goods has satisfied the obligations relating to submission of the recapitulative statement.
3. Place of supply of services

3.1. Definitions

Article 24

(Definition of taxable person for the purpose of the application of the rules on the place of supply of services)

For the purpose of the application of the rules on the place of supply of services, a taxable person shall also be considered the following persons:

- a taxable person that also performs activities or transactions which are not defined as taxable supplies of goods or services pursuant to paragraph (1) of Article 3 of this Act, i.e. for all services supplied to this taxable person;

- a non-taxable legal person identified for VAT purposes.

3.2. General provisions

Article 25

(General provisions)

(1) The place of supply of services to a taxable person acting as such shall be the place where the taxable person has established his business. When these services are supplied to a taxable person's fixed establishment outside the place of the taxable person's place of establishment, the place of supply of services shall be the place where the taxable person has a fixed establishment. In the absence of such a place of establishment or fixed establishment, the place of supply of services shall be the place where the taxable person to whom these services are supplied has his permanent address or usually resides.

(2) The place of supply of services to a non-taxable person shall be the place where the supplier of services has established his business. When these services are supplied from the supplier's fixed establishment outside the place of the supplier's place of establishment, the place of supply of services shall be the place where the supplier has a fixed establishment. In the absence of such a place of establishment or fixed establishment, the place of supply of services shall be the place where the supplier of services has his permanent address or usually resides.

3.3. Particular provisions

Article 26

(Supply of services by intermediaries)

The place of supply of services supplied to a non-taxable person by an intermediary acting in the name and on behalf of another person shall be the place where the underlying transaction is supplied under this Act.
Article 27

(Supply of services connected with immovable property)

The place of supply of services connected with immovable property, including the services supplied by experts and real estate agents, the provision of accommodation in the hotel sector or in sectors with a similar function, including the provision of accommodation in holiday homes, holiday camps or on sites developed for use as camping sites, granting of rights to use immovable property, and services for the preparation and coordination of construction work, such as the services of architects and firms providing on-site supervision, shall be the place where the property is located.

Article 28

(Supply of transport)

(1) The place of supply of transport of passengers shall be the place where the transport takes place, proportionately in terms of distances covered.

(2) The place of supply of transport of goods other than the intra-Community transport of goods to non-taxable persons shall be the place where the transport takes place, proportionately in terms of distances covered.

(3) The place of supply of intra-Community transport of goods to non-taxable persons shall be the place of departure.

(4) "Intra-Community transport of goods" shall mean any transport of goods in respect of which the place of departure and the place of arrival are situated within the territories of two different Member States.

(5) "The place of departure" shall mean the place where transport of goods actually begins regardless of the distances covered to the place where the goods are located, and "the place of arrival" shall mean the place where the transport of goods actually ends.

(6) VAT shall not be charged for the part of Intra-Community transport of goods supplied to non-taxable persons and relating to waterways outside the territory of the Union.

Article 29

(Supply of services in the field of cultural, artistic, sporting, scientific, educational, entertainment and similar services, ancillary transport services, valuations of and work on movable tangible property)

(1) The place of supply of services relating to admission to cultural, artistic, sporting, scientific, educational, entertainment or similar activities such as trade fairs and exhibitions, including ancillary services relating to admission to such events provided to the taxable person shall be the actual place where these activities are physically carried out.

(2) The place of supply of services, including ancillary services, in the field of cultural, artistic, sporting, scientific, educational, entertainment or similar activities such as trade fairs
and exhibitions, including services of the organizers of such activities supplied to non-taxable persons, shall be the place where these services are physically carried out.

(3) The place of supply of ancillary transport services such as loading, unloading, handling and similar activities and services involving valuations of and work on movable tangible property supplied to non-taxable persons shall be the place where these services are physically carried out.

Article 30

(Supply of restaurant and catering services)

The place of supply of restaurant and catering services, except services physically carried out on board ships, aircraft or trains during the section of a passenger transport operation effected within the Union shall be the place where these services are physically carried out.

Article 30a

(Supply of restaurant and catering services for consumption on board ships, aircraft or trains)

(1) The place of supply of restaurant and catering services which are physically carried out on board ships, aircraft or trains during the section of a passenger transport operation effected within the Union shall be at the point of departure of the passenger transport operation.

(2) For the purposes of the preceding paragraph, the "section of a passenger transport operation effected within the Union" shall mean the section of the operation effected, without a stopover outside the Union, between the point of departure and the point of arrival of the passenger transport operation.

(3) The “point of departure of the passenger transport operation” shall be the first point of embarkation of passengers in the Union, including after a stopover outside the Union.

(4) The “point of arrival of the passenger transport operation” shall be the last point of disembarkation within the Union of passengers who embarked in the Union, including before a stopover outside the Union.

(5) In the case of a return trip, the return leg shall be regarded as a separate transport operation.

Article 30b

(Hiring of means of transport)

(1) The place of short-term hiring of a means of transport shall be the place where the means of transport is actually made available to the customer.

(2) The place of hiring of means of transport, except short-term hiring, to a non-taxable person shall be the place of the customer's registered office, permanent or habitual residence.
(3) Notwithstanding the provision of the preceding paragraph, the place of hiring of a boat for pleasure, except short-term hiring, shall be the place where the boat for pleasure is actually made available to the customer, provided that the supplier actually performs this service from the place where the supplier has established his business or has a fixed establishment.

(4) For the purposes of the preceding paragraph, “short-term hiring” shall mean permanent possession or use of a vehicle during a period, not longer than thirty days and of a vessel during a period not longer than ninety days.

Article 30c

(Telecommunications services, broadcasting services and electronic services to non-taxable persons)

(1) When telecommunications services, radio and television broadcasting services or electronic services, particularly those referred to in Annex I a to this Act, are supplied to a non-taxable person, the place of supply of these services shall be the place where that person is established or has his permanent address or usually resides.

(2) When the supplier of a service and the customer communicate via electronic mail, that shall not of itself mean that the service supplied is an electronically supplied service.

Article 30d

(Supply of services to non-taxable persons established outside the Union)

(1) The place of supply of the following services to a non-taxable person who is established or who has his permanent address or usually resides outside the Union, shall be the place where that person is established, has his permanent address or usually resides:

a) the services of transfer and assignment of copyrights, patents, licences, trade marks and similar rights;

b) advertising services;

c) services of consultants, engineers, consultancy bureaus, lawyers, accountants and other similar services as well as data processing and the provision of information;

d) obligations in respect of suspension or abandonment in whole or in part of business activities or rights under this Article;

e) banking, financial and insurance transactions, including reinsurance, with the exception of hire of safes;

f) the supply of staff;

g) the hiring out of movable tangible property, with the exception of all means of transport;

h) the provision of access to natural gas distribution systems in the territory of the Union or to any network connected with such system, and to electricity distribution systems or district
heating or cooling network or transport or transmission through such systems and networks and the provision of other services directly linked thereto.

Article 30e

(1) The minister responsible for finance may, in order to avoid double taxation, non-taxation or distortion of competition, determine that the place of supply of services referred to in Articles 25, 30b, 30c and 30d of this Act, shall be deemed to be the place of supply of services which would be, in accordance with the above-mentioned articles, situated:

-in Slovenia, outside the Union, if these services are actually used and enjoyed outside the Union,

- outside the Union, in Slovenia, if these services are actually used and enjoyed in Slovenia.

4. Place of importation of goods

Article 31

(Place of importation of goods)

(1) The place of importation of goods shall be the Member State within whose territory the goods are located when they enter the Union.

(2) If on entry into the Union the goods from point 1 of Article 18 of this Act, are not placed under one of the arrangements or situations referred to in paragraph (1) of Article 57 of this Act, or under temporary importation agreements with total exemption from import duty, or under external transit arrangements, the place of importation of such goods shall be the Member State within whose territory the goods cease to be covered by those arrangements or situations.

(3) If on entry into the Union, goods from point 2 of Article 18 of this Act are placed under one of the arrangements referred to in paragraphs (3) or (4) of Article 93 of this Act, without prejudice to paragraph (1) of this Article the place of importation shall be the Member State within whose territory the goods cease to be covered by those arrangements.

V. CHARGEABLE EVENT AND CHARGEABILITY OF VAT

Article 32

(General provisions)

(1) "Chargeable event" shall mean the occurrence by virtue of which the legal conditions necessary for VAT to become chargeable are fulfilled.

(2) VAT shall become "chargeable" when the tax authority becomes entitled under the law, at a given moment, to claim the tax from the person liable to pay, even though the time of payment may be deferred.
Article 33

(Supply of goods or services)

(1) The chargeable event shall occur and VAT shall become chargeable when the goods or the services are supplied.

(2) Where it gives rise to successive invoices or successive payments, the supply of goods, other than that from point b) of paragraph (2) of Article 6 of this Act, and the supply of services shall be regarded as being completed on expiry of the periods to which such invoices or payments relate; however, these periods shall not exceed one year.

(3) The services for which VAT is to be paid by the recipient of services according to point 3 of paragraph (1) of Article 76 of this Act and which are continuously supplied over a period that is longer than one year and for which no invoices are issued and no payments are made during this period shall be deemed to have been completed on the expiry of each calendar year until the supply of services is completed.

(4) Successive supplies of goods over a period longer than one calendar month, which are dispatched or transported from Slovenia to another Member State and to which are transported or transferred VAT-exempt to such Member State by a taxable person for the purposes of his business shall be considered to be completed on the last day of each calendar month until the supply is completed in accordance with the conditions referred to in Article 46 of this Act.

(5) Where a payment is made before the goods or services are supplied, VAT shall become chargeable on receipt of the payment and on the payment amount received.

(6) Where no invoice has been issued and the goods or services have been supplied, VAT shall become chargeable no later than the last day of the tax period in which the chargeable event occurs. The preceding sentence shall relate to the services for which VAT is to be paid by the recipient of services in accordance of point 3 of Article 76 of this Act or to the supplies or transfers of goods referred to in paragraph (8) of this Article.

(7) Where goods or services are supplied under Articles 7, 8 and 15 of this Act, VAT shall become chargeable in the tax period in which the chargeable event occurs.

(8) Where, in accordance with the conditions laid down in Article 46 of this Act, goods are supplied to another Member State or where the goods are transferred VAT-exempt to another Member State by a taxable person for the purposes of his business, VAT shall become chargeable on the invoice date or, if no invoice has been issued, on the 15th day of the month following the month in which the chargeable event occurs.

(9) Paragraphs (2) and (5) of this Article shall not apply to goods supplied to another Member State under the conditions referred to in Article 46 of this Act and to goods transferred VAT-exempt to another Member State by a taxable person for the purposes of his business.
Article 33a

(Advance payments for the supply of goods and services according to Article 76a of the VAT Act)

(1) A taxable person identified for VAT purposes and determined as payer of VAT pursuant to Article 76a of this Act shall also charge VAT on advance payments made on the advance payment date.

(2) In cases when, pursuant to the preceding paragraph, VAT is to be charged by the person making the advance payment, the recipient of the advance payment shall not be obliged to charge VAT in accordance with paragraph (5) of Article 33 of this Act.

Article 34

(Intra-Community acquisition of goods)

(1) The chargeable event shall occur when the intra-Community acquisition of goods is made. The intra-Community acquisition of goods shall be regarded as being made when the supply of similar goods is regarded as being effected within the territory of Slovenia.

(2) In the case of intra-Community acquisition of goods, VAT shall become chargeable on the invoice date. If no invoice is issued, VAT shall become chargeable on the 15th day of the month following the month in which the chargeable event occurs.

Article 35

(Importation of goods)

(1) The chargeable event shall occur and VAT shall become chargeable when the goods are imported.

(2) Where, on entry into the Union, goods are placed under one of the arrangements or situations from paragraphs (2) and (3) of Article 31 of this Act, the chargeable event shall occur and the tax shall become chargeable when goods cease to be covered by those arrangements.

(3) By way of derogation from paragraph (2) of this Article, where imported goods are subject to customs duties, agricultural levies or to charges having equivalent effect established under Union common policy, the chargeable event shall occur and VAT shall become chargeable when the chargeable event in respect of those duties occurs and those duties become chargeable.

(4) Where the goods are not subject to any of the duties referred to in paragraph (2) of this Article, the chargeable event shall occur and VAT shall become chargeable when, in accordance with customs regulations, customs duty would become chargeable if it were required by law.
VI. TAXABLE AMOUNT

Article 36

(Supply of goods or services)

(1) In respect of the supply of goods or services, the taxable amount shall include everything which constitutes consideration (in cash, in kind or in services) obtained or to be obtained by the supplier or by the contractor in return for the supply from the buyer, customer or a third party, including subsidies directly linked to the price of such supplies, unless otherwise provided by this Act.

(2) In respect of the supply of goods, as referred to in Articles 7 and 8 of this Act, the taxable amount shall be the purchase price of the goods or of similar goods, or the cost price determined at the time when the application, disposal or retention takes place.

(3) In respect of the supply of services, as referred to in Article 15 of this Act, the taxable amount shall be the full cost to the taxable person of providing the services.

(4) In respect of the supply of goods consisting in transfer to another Member State, the taxable amount shall be the purchase price of the goods or of similar goods or the cost price determined at the time the transfer takes place.

(5) The taxable amount shall include the following factors, in so far as they are not already included:

a) excise duties and other taxes, charges, import and other duties, excluding VAT;

b) incidental expenses, such as commissions, packing, transport and insurance costs, charged by the supplier to the buyer or customer.

(6) The taxable amount shall not include the following factors:

a) price reductions by way of discount for early payment;

b) price discounts and rebates granted to the customer and obtained by him at the time of the supply;

c) amounts received by a taxable person from the customer, as repayment of expenditure incurred in the name and on behalf of the customer, and entered in his books in a suspense accounts. Taxable persons must furnish proofs of the actual amount of the expenditure and may not deduct any VAT which may have been charged for these transactions.

(7) In respect of the supply of goods or services made by a taxable person that is not established in Slovenia, the taxable amount shall be deemed to include everything that constitutes consideration, which the recipient of goods or services has paid or will have to pay to the supplier.
(8) Where consideration for the supply of goods or services exceeds the amount to which the taxable person would be entitled, the taxable amount shall be the consideration received, excluding VAT.

Article 36a

(Open market value)

(1) Notwithstanding the provisions of the preceding paragraph, the taxable amount for the supplies of goods and services between connected persons shall equal the open market value when the consideration for the supply is:

- lower than the open market value and the recipient of the supply is not entitled to a full VAT deduction according to Articles 62, 63, 65, 66, 74 and 74.i of this Act;

- lower than the open market value and the supplier is not entitled to a full VAT deduction according to Articles 62, 63, 65, 66, 74 and 74.i of this Act, and the supply is subject to an exemption according to paragraph (1) of Article 42, Article 44 and paragraph (2) of Article 49 of this Act;

- higher than the open market value and the supplier is not entitled to a full VAT deduction according to Articles 62, 63, 65, 66, 74 and 74.i of this Act;

(2) For the purposes of this Article, connected persons shall be the persons referred to in paragraph (5) of Article 94 of this Act.

(3) The open market value referred to in paragraph (1) of this Article shall mean the full amount that the customer or recipient should pay to an independent supplier or contractor for a comparable supply of goods or services in the territory of Slovenia on acquisition of goods and services in conditions of fair competition.

(4) When no comparable supply of goods or services referred to in the preceding paragraph can be determined, the open market value shall have the following meaning:

- for goods, an amount not lower than the purchase price of goods or of similar goods or, when there is no purchase price available, the cost price determined at the time of supply;

- for services, an amount not lower than the full costs to be paid by a taxable person for the supplied services.

Article 37

(Intra-Community acquisition of goods)

(1) In respect of the intra-Community acquisition of goods, the taxable amount shall be established on the basis of the same factors as are used in accordance with Article 36 of this Act to determine the taxable amount for the supply of the same goods within the territory of Slovenia. In the case of the transactions to be treated as intra-Community acquisitions of goods, referred in Articles 12 and 13 of this Act, the taxable amount shall be the purchase price of the goods or of similar goods or the cost price determined at the time of the supply.
(2) In accordance with point a) of paragraph (5) of Article 36 of this Act, the taxable amount shall include the excise duty due from or paid by the person making the intra-Community acquisition of a product subject to excise duty. Where, after the intra-Community acquisition of goods has been made, the person acquiring the goods obtains a refund of the excise duty paid in the Member State in which dispatch or transport of the goods began, the taxable amount shall be reduced accordingly.

Article 38

(Importation of goods)

(1) In respect of the importation of goods, the taxable amount shall be the value for customs purposes, determined in accordance with the Union customs provisions in force.

(2) The taxable amount from paragraphs (1) and (5) of this Article shall include the following factors, in so far as they are not already included:

a) taxes, excise duties, levies and other charges due outside the Member State of importation, and those due by reason of importation, excluding the VAT to be levied;

b) incidental expenses, such as commissions, packing, transport and insurance costs, incurred up to the first place of destination within the territory of the Member State of importation as well as those resulting from transport to another place of destination within the Union, if that other place is known when the chargeable event occurs.

(3) "First place of destination" from point (b) of paragraph (2) of this Article shall mean the place mentioned on the consignment note or any other document under which the goods are imported into the Member State of importation. If no such mention is made, the first place of destination shall be deemed to be the place of the first transfer of cargo in the Member State of importation.

(4) The taxable amount shall not include the following factors:

a) price reductions by way of discount for early payment;

b) price discounts and rebates granted to the customer and obtained by him at the time of the importation;

(5) When goods are temporarily exported from the Union for outward processing on the basis of an outward processing contract and are re-imported after having undergone, outside the Union, repair, processing, adaptation, making up or re-working for the account of the exporter, the taxable amount shall be the value of the repair, processing, adaptation, making up or re-working if the recipient of goods is the person who temporarily exported the goods. In other cases the taxable amount shall be determined pursuant to paragraph (1) of this Article.
Article 39

(Miscellaneous provisions)

(1) The taxable amount shall not include the costs of returnable packing material, of which the records are kept by the supplier of goods.

(2) In the case of cancellation, refusal, or where the price is reduced after the supply takes place, the taxable amount shall be reduced accordingly. A taxable person may adjust (reduce) the amount of the charged VAT provided that he notifies the buyer in writing of the amount of the VAT which the buyer is not entitled to deduct.

(3) A taxable persons may also adjust (reduce) the amount of the charged VAT where, pursuant to a final court decision on a completed bankruptcy proceedings or on a successfully completed compulsory settlement he receives no payment, i.e. receives no repayment in full. A taxable person may proceed in the same way if he receives a final court decision on the termination of the execution procedure or another document which shows that during the completed execution procedure he received no repayment or received no repayment in full, and so may also proceed a taxable person who received no repayment or received no repayment in full because the debtor was removed from the court register or from other appropriate registers or statutory records. If a taxable person subsequently receives payment or partial payment for the supply of goods or services in connection with which he has adjusted the taxable amount in accordance with this paragraph, he shall charge VAT on the amount received.

(4) Notwithstanding the preceding paragraph, the taxable person may adjust (reduce) the amount of the charged and outstanding VAT relating to all established claims that the taxable person declared in the compulsory settlement proceedings or in the bankruptcy proceedings.

(5) If a taxable person subsequently receives payment or partial payment for the supply of goods or services in connection with which he has adjusted the taxable amount in accordance with the preceding paragraph, he shall charge VAT in the amount received.

(6) Where the factors used to determine the taxable amount on importation of goods are expressed in a foreign currency, the exchange rate shall be determined in accordance with the Union provisions governing the calculation of the value of goods for customs purposes.

(7) Where the value, which is the basis for determining the taxable amount, except for the importation of goods, is expressed in a foreign currency, the exchange rate applicable to the conversion of this amount into the national currency shall be the foreign exchange reference rate of the European Central Bank valid on the day when the tax liability arises and published by the Bank of Slovenia.

(8) The minister responsible for finance may lay down simplifications regarding the conversion of a foreign currency into the local currency in accordance with the preceding paragraph.
VII. RATES

Article 40

(Application of rates)

(1) VAT shall be charged at the rate in force at the time of the chargeable event.

(2) By way of derogation from paragraph (1) of this Article, the rate applicable shall be that in force when VAT becomes chargeable in the following cases:

a) in the cases referred to in paragraph (5) of Article 33 of this Act;

b) in the case of an intra-Community acquisition of goods;

c) in the cases concerning the importation of goods referred to in paragraphs (3) and (4) of Article 35 of this Act.

(3) The rate applicable to the intra-Community acquisition of goods shall be that applied to the supply of like goods within the territory of Slovenia.

Article 41

(Rates)

(1) VAT shall be charged and paid at a general rate of 20% of the taxable amount and shall be the same for the supply of goods and for the supply of services.

(2) By way of derogation from paragraph (1) of this Article, VAT shall be charged and paid at a lower, 8.5%, rate of the taxable amount for the supply of goods and services from Annex I, which is an annex to this Act and its integral part.

VIII. EXEMPTIONS FROM VAT

1. Exemptions for certain activities in the public interest

Article 42

(Exempt activities in public interest)

(1) The following transactions shall be exempt from VAT:

1. hospital and medical care and closely related activities undertaken by public health institutes or other persons under concession contracts;

2. health care provided by health workers as part of a freelance health care activity;

3. the supply of blood and blood products, mother's milk and human organs for transplantation;
4. the supply of services by dental technicians and the supply of dental prostheses by dental technicians or dentists;

5. the supply of services carried out for their members by independent groups of persons, who are carrying on an activity which is exempt from or is not subject to VAT, for the purpose of rendering their members directly the services necessary for the exercise of that activity, where those groups merely claim from their members exact reimbursement of their share of the joint expenses, provided that such exemption is not likely to cause distortion of competition;

6. the supply of services closely linked to welfare and social security work, including those supplied by old people's homes, and the supply of goods directly linked to them, provided as a public service by public social security institutes or other persons under concession contracts, or provided by other non-profit-making organisations deemed to be charitable, disabled persons' organisations or self-help organisations according to regulations;

7. the supply of goods and services closely linked to the protection of children and young persons provided as a public service by public institutes or other persons under concession contracts or by other organisations deemed to be charitable organisations according to regulations;

8. the provision preschool education, school education, vocational education and retraining, including the supply of goods and services closely related thereto, by public institutes or other organisations according to regulations and under the conditions laid down for the supply of these services provided that such exemption is not likely to cause distortion of competition;

9. tuition given privately by persons fulfilling the conditions required for teachers in a public school and covering school education;

10. the supply of staff by religious or philosophical institutions for the purpose of the activities referred to in points 1, 6, 7 and 8 of this Article and with a view to spiritual welfare;

11. the supply of services closely linked thereto to their members in their common interest in return for a subscription fixed in accordance with their rules by non-profit-making organisations with aims of a political, trade-union, religious, patriotic, philosophical, philanthropic or civic nature and the supply of goods closely linked thereto, provided that this exemption is not likely to cause distortion of competition;

12. the supply of services closely linked to sport or physical education by non-profit-making organisations to persons taking part in sport or physical education;

13. the supply of cultural services, and the supply of goods directly linked thereto, by public institutes or by other cultural institutions recognised by the State;

14. the supply of goods and services by organisations whose activities are exempt from VAT pursuant to points 1, 6, 7, 8, 11, 12 and 13 of this paragraph in connection with fund-raising events organised by these organisations on an occasional basis and exclusively for their own benefit, provided that such exemption is not likely to cause distortion of competition;

15. the supply of transport services for sick or injured persons in vehicles or vessels specially adapted for these purposes and operated by authorised persons;
16. fees for the activities carried out by public radio and television bodies under the act regulating the activity of Radio and Television of Slovenia;

17. provision of universal postal service in full or in part, as defined in the act governing postal services, and the supply of goods directly related thereto. This exemption shall not apply to the services and supplies of goods directly related thereto, which postal service provides performance in accordance with the provisions specifically agreed upon with the users of these services.

(2) The supply of goods and services shall not be granted exemption from VAT in accordance with points 1, 6, 7, 8, 11, 12 and 13 of paragraph (1) of this Article where:

- it is not essential to the transactions exempted from VAT or where the exempt activities can be carried out without this kind of supply or

- the basic purpose of the supply is to obtain additional income for the organisation in question through transactions which are in direct competition with those of taxable persons liable to VAT.

Article 43

(Exemptions for certain activities in the public interest provided by persons other than public law entities)

(1) The supply of goods and services for which exemption from VAT is laid down in points 1, 6, 7, 8, 11, 12 and 13 of paragraph (1) of Article 42 of this Act shall also be exempt from VAT, when it is carried out by persons other than bodies governed by public law subject in each individual case to one or more of the following conditions:

- they shall not aim to make a profit, and any profits nevertheless arising shall not be distributed, but shall be assigned to the continuance or improvement of the services supplied;

- they shall be managed and administered on an essentially voluntary basis by persons who have no direct or indirect interest, either themselves or through intermediaries, in the results of the activities concerned;

- those persons shall charge prices which are approved by the competent authorities or which do not exceed such approved prices or, in respect of those services not subject to approval, prices lower than those charged for similar services by taxable persons subject to VAT;

- VAT exemptions for the services concerned shall not be likely to cause distortion of competition to the disadvantage of taxable persons subject to VAT.

(2) The persons referred to in paragraph (1) of this Article may exercise the exemption from VAT subject to prior notification to be submitted to the tax authority, in electronic form.
2. Exemptions for other activities

Article 44

(Exemptions for other activities)

The following transactions shall also be exempt from VAT:

1. Insurance and reinsurance transactions, including related services performed by insurance brokers and agents;

2. The leasing or letting of immovable property excluding:

   – the provision of accommodation in the hotel sector or in sectors with a similar function, including the provision of accommodation in holiday homes, holiday camps or on sites developed for use as camping sites;

   – the letting of premises and sites for the parking of vehicles;

   – the letting of permanently installed equipment and machinery;

   – the hire of safes.

3. The supply of goods used solely for activities or transactions exempted under Article 42 of this Act and this Article, if those goods have not given rise to input VAT deductibility or if VAT was not deductible for the acquisition or use of those goods in accordance with Article 66 of this Act;

4. The following financial transactions:

   (a) the granting and the negotiation of credit or loans in monetary form and the management of credit or loans in monetary form by the person who is granting the credit or the person who is granting the loan;

   (b) the issuing of credit guarantees or any other security for money and the management of credit guarantees by the person who is granting the credit;

   (c) transactions, including negotiation, concerning deposit and current or transaction accounts, payments, transfers, debts, cheques and other negotiable instruments, but excluding debt collection and factoring;

   (d) transactions, including negotiation, concerning currency, bank notes and coins used as legal tender, with the exception of bank notes and coins whose saleable value is determined on the basis of their value as collectors’ items or on the basis of the value of the metal from which they are made;

   (e) transactions (excluding management, safekeeping, investment advice and services in connection with takeovers), including negotiation, in shares, interests in companies or associations, debentures and other securities, excluding documents establishing title to goods and the rights and interests;
(f) the management of investment funds;

5. the supply of revenue stamps at face value, which are used for postal services in the territory of Slovenia, and other similar stamps;

6. games of chance;

7. the supply of buildings or parts thereof, and of the land on which they stand, unless the supply is performed before the buildings or parts thereof are first occupied or used or if the supply is performed prior to the expiration of the two-year period from the commencement of the first use or first occupation;

8. the supply of land other than building land;

9. the supply of gold to the Bank of Slovenia.

Article 45

(Right of option for taxation in respect of property-related transactions)

(1) A taxable person engaging in transactions for which exemption from VAT is laid down in points 2, 7 and 8 of Article 44 of this Act may make an arrangement with the lessee, lessor or buyer of immovable property – taxable person having the right to full deduction of VAT – to charge VAT for the above-mentioned transactions, which should be exempt from VAT, at the required rate.

(2) A taxable person shall charge VAT in accordance with paragraph (1) of this Article, provided that the taxable person and the lessee or buyer of immovable property have each made a separate declaration in electronic form to the tax authority prior to the supply of the immovable property.

3. Exemptions for intra-Community transactions

Article 46

(Exemptions related to the supply of goods)

The following transactions shall be exempt from VAT:

1. the supply of goods dispatched or transported from the territory of Slovenia to another Member State, by or on behalf of the vendor or the person acquiring the goods, for another taxable person or for a non-taxable legal person acting as such in that other Member State;

2. the supply of new means of transport, dispatched or transported to the customer from the territory of Slovenia to another Member State, by or on behalf of the vendor or the customer, for taxable persons or non-taxable legal persons whose intra-Community acquisitions are not subject to VAT, or to any other non-taxable person;

3. the supply of products subject to excise duty, dispatched or transported from the territory of Slovenia to another Member State, to the customer, by or behalf of the vendor or the
customer, for taxable persons or non-taxable legal person, whose intra-Community acquisitions of goods other than products subject to excise duty are not subject to VAT, where an accompanying document has been issued for dispatch or transport of those products, excise duty paid in Slovenia and its payment secured in the Member State of destination in accordance with regulations governing excise duties.

4. the supply of goods in the form of transfer of goods to another Member State within the meaning of Article 9 of this Act, for which exemptions would apply in accordance with points 1 to 3 of this Article if they were made on behalf of another taxable person.

Article 47

(Supply of goods not subject to exemption)

(1) The exemption from point 1 of Article 46 of this Act shall not apply to the supply of goods made by taxable persons exempt from VAT according to Article 94 of this Act, and to the supply of goods made for taxable persons or non-taxable legal persons, whose intra-Community acquisitions of goods other than products subject to excise duty are not subject to VAT, where an accompanying document has been issued for dispatch or transport of those products, excise duty paid in Slovenia and its payment secured in the Member State of destination in accordance with regulations governing excise duties.

(2) The exemption from point 3 of Article 46 of this Act shall not apply to the supply of goods made for taxable persons exempt from VAT according to Article 94 of this Act.

(3) The exemption from points 1 and 3 of Article 46 of this Act shall not apply to the supply of goods subject to VAT in accordance with a special arrangement for second-hand goods, works of art, collector's items and antiques or in accordance with a special arrangement provided for sales by public auction.

Article 48

(Exemptions of intra-Community acquisitions of goods)

(1) Exemption from VAT shall be applied to the following intra-Community acquisition of goods:

a) supply effected by taxable persons in Slovenia would in all circumstances be exempt from VAT within the territory of Slovenia;

b) the importation of which would in all circumstances be exempt from VAT under points 1, 2, 3 and 5 through 12 of paragraph (1) of Article 50 of this Act;

c) where, pursuant to Article 74 of this Act, the person acquiring the goods would in all circumstances be entitled to full reimbursement of the VAT due under point 2 of paragraph (1) of Article 3 of this Act.

(2) No VAT shall be charged on the intra-Community acquisition of goods within the territory of Slovenia pursuant to paragraph (1) of Article 23 of this Act, where the following conditions are met:
a) the acquisition of goods by a taxable person who is not established within the territory of Slovenia but is identified for VAT purposes in another Member State;

b) the acquisition of goods is made for the purposes of the subsequent supply of those goods, within the territory of Slovenia, by the taxable person referred to in point a);

c) the goods thus acquired by the taxable person from point a) are directly dispatched or transported, from a Member State other than the state in which he is identified for VAT purposes, to the person for whom he is to carry out the subsequent supply;

d) the person to whom the subsequent supply is to be made is a taxable person or a non-taxable legal person, who is identified for VAT within the territory of Slovenia, and

e) the taxable person referred to in point a) of this paragraph has been designated in accordance with point 4 of paragraph (1) of Article 76 of this Act as liable for payment of the VAT due on the subsequent supply of goods within the territory of Slovenia.

Article 49

(Exemptions for certain transport services)

(1) Intra-Community transport services involved in the dispatch or transport of goods to or from islands making up the autonomous regions of the Azores and Madeira, as well as the dispatch or transport of goods between those islands, shall be exempt from VAT.

(2) International transport of passengers, with the exception of international road transport, shall also be exempt from VAT.

4. Exemptions on importation

Article 50

(Exempt transactions)

(1) The following transactions shall be exempt from VAT:

1. the release of goods for free circulation, if the supply of such goods by a taxable person within the territory of Slovenia would in all circumstances be exempt from VAT;

2. importation of goods from Article 51 of this Act;

3. importation of goods from a third territory forming part of the Union customs territory, which would be entitled to exemption under point 2 of this Article;

4. the importation of goods dispatched or transported from a third territory or from a third country into a Member State other than that in which the dispatch or transport of the goods ends, where the supply of such goods by the importer designated or recognised under point 6 of paragraph (1) of Article 76 of this Act is exempt under Article 46 of this Act;
5. the reimportation, by the person who exported them, of the goods in the state in which they were exported, where those goods are exempt from customs duties in accordance with customs regulations;

6. the importation, under diplomatic and consular arrangements, of goods which are exempt from customs duties;

6.a. import of goods by the European Union, the European Atomic Energy Community, the European Central Bank, the European Investment Bank or bodies established by the Union to which the Protocol on the privileges and immunities of the European Community of 8 April 1965 applies, within the framework and under the conditions and under the conditions set out in this protocol and agreements on its implementation or headquarters agreements, and particularly only to the extent that it does not cause a distortion of the competition.

7. the importation of goods by international organizations not mentioned in the preceding point and by members of such organisations within the limits and under the conditions laid down by the international conventions establishing the organisations or by agreements on headquarters of these organisations applicable to Slovenia;

8. the importation of goods, into Member States party to the North Atlantic Treaty, by the armed forces of other States party to that Treaty for the use of those forces or the civilian staff accompanying them or for supplying their messes or canteens where such forces take part in the common defence effort;

9. the importation into ports, by sea fishing undertakings, of their catches, unprocessed or after undergoing preservation for marketing but before being supplied;

10. the importation of gold and other precious metals, bank notes and coins by the Bank of Slovenia;

11. the importation of gas through the natural gas distribution system or any network connected with such system, or the supply of gas to the natural gas distribution system from a ship designed to transport gas, or through an upstream gas distribution network, or electricity or energy for heating or cooling through district heating or cooling networks.

12. services related to the importation of goods, provided that the value of such services is included in the taxable amount in accordance with point b) of paragraph (2) of Article 38 of this Act.

(2) The importation of goods from point 4 of the preceding paragraph shall be exempt from VAT provided that the importation of goods is followed by an exempt supply of goods pursuant to points 1 and 4 of Article 46 of this Act, only if at the time of importation the importer provides the competent tax authority with at least the following information:

a) his VAT identification number issued by a tax authority in Slovenia or VAT identification number of his tax representative who is liable to pay VAT, issued by a tax authority in Slovenia;

b) VAT identification number of the recipient of goods to whom the goods were supplied pursuant to point 1 of Article 46 of this Act, issued in another Member State, or his
identification number, issued in the Member State in which the dispatch or transport of the goods ends, if the goods are transferred pursuant to point 4 of Article 46 of this Act;

c) a proof that the imported goods are intended for transport or dispatch from Slovenia to another Member State.

(3) The minister responsible for finance shall lay down the detailed conditions for and the method of application of exemptions under this Article and shall lay down the quantitative and value restrictions for individual types of goods for which beneficiaries from points 6, 7 and 8 of paragraph (1) of this Article may claim exemptions.

Article 51

(Goods referred to in point 2 of Article 50)

(2) The following shall be exempt from VAT in accordance with point 2 of paragraph (1) of Article 50 of this Act:

1. Consignments of insignificant value sent directly from abroad. This exemption shall not apply to tobacco and tobacco products, alcohol and alcoholic beverages, perfumes and eaux de toilette. The total value of goods in an individual consignments deemed to be insignificant shall not exceed the amount determined by the minister responsible for finance;

2. Second-hand personal property belonging to a natural person who has lived abroad for an uninterrupted period of at least 12 months and is moving to Slovenia. This exemption shall not apply to alcoholic beverages, tobacco and tobacco products, motor vehicles and equipment for the performance of an economic activity;

3. Items belonging to a person who has lived abroad for an uninterrupted period of at least 12 months and who is moving to Slovenia for the purpose of marriage. This exemption shall not apply to alcoholic beverages, tobacco and tobacco products, motor vehicles and equipment for the performance of an economic activity;

4. Items which a natural person who resides permanently in Slovenia acquires by inheritance. This exemption shall not apply to alcoholic beverages, tobacco and tobacco products, means of transport, equipment, stocks of raw materials, semi-finished products and finished products, livestock and agricultural produce exceeding normal family needs;

5. Teaching aids brought by pupils and students coming to study to Slovenia for their own needs;

6. Goods in passengers' personal luggage, which are imported for non-commercial purposes and which are exempt from customs duties in accordance with customs regulations;

7. Non-commercial goods in consignments which are sent by a natural person residing abroad free of charge to a natural person on the customs territory up to the amount, and tobacco and tobacco products, alcohol and alcoholic beverages, perfumes and eaux de toilette up to the quantities laid down by the minister responsible for finance;
8. Honorary decorations and awards if their nature of individual value indicates that they are not being imported for commercial purposes; Occasional gifts received within the framework of international relations, provided that they do not reflect a commercial purpose; items intended, subject to reciprocity, for foreign heads of state or their representatives for their own needs during official visits to Slovenia; This exemption shall not apply to alcoholic beverages, tobacco and tobacco products;

9. therapeutic substances of human origin and reagents for determining blood groups and tissue types that are used for non-commercial or scientific purposes; pharmaceutical products for health care or veterinary use at international sporting events; laboratory animals, animal, biological and chemical substances sent free of charge, which are intended for scientific research, and samples of reference substances intended for quality control of medical products approved by the World Health Organisation;

10. goods acquired free of charge by state bodies, charitable and philanthropic organisations intended for free distribution to persons in need of help, or goods sent free of charge and without any commercial intent for the purpose of being used exclusively for meeting their work needs or for carrying out their tasks. This exemption shall not apply to alcoholic beverages, tobacco and tobacco products, coffee, tea, and motor vehicles (except for rescue vehicles). This exemption shall apply only to organisations that keep appropriate accounts and enable the competent bodies to supervise their operations and which, where necessary, offer insurance of VAT payment;

11. goods imported by state bodies and organisations, charitable and philanthropic organisations intended for free distribution to victims of natural and other disasters and wars, or goods which remain the property of these organisations but are made available to the aforementioned victims. This exemption shall not apply to material and equipment for the renovation of areas affected by natural and other disasters. This exemption shall apply only to organisations that keep appropriate accounts and enable the competent bodies to supervise their operations and which, where necessary, offer insurance of VAT payment;

12. Items that are specially made for the education, training or employment of the blind and deaf or other physically or mentally handicapped persons if they were acquired free of charge and imported by institutions or organisations whose activity is education or assistance to these persons, and provided that no commercial intent is expressed by the donors;

13. Equipment used by the owner for the performance of his economic activity which he is moving to Slovenia. This exemption shall not apply to means of transport, fuel, stocks of goods, products, semi-finished products, and livestock owned by traders;

14. Plant and livestock products obtained by farmers – Slovenian nationals – on their property in the border area of a neighbouring country, and young animals and other products obtained from livestock which they hold on this property for the purpose of farm labour, pasture or wintering; seeds, fertilisers and similar products for cultivation of the soil by farmers who are foreign nationals on their property in Slovenia.

15. Samples of goods of insignificant value intended for obtaining orders for goods of this kind and which, with regard to their appearance and quantity, are not usable for any other purposes;
16. Printed materials and advertising material sent by a person established outside Slovenia;

17. Goods intended for use at trade fairs, exhibitions or similar events. This exemption shall not apply to alcoholic beverages, tobacco and tobacco products and fuels;

18. Goods which, in order to determine their composition, quality or other technical characteristics are intended for examination, analysis and testing and which are completely used or destroyed. This exemption shall not apply to goods used in examination, analysis or testing in order to promote sales;

19. Items and accompanying documents which are sent to organisations responsible for the protection of intellectual property rights and which are linked to the acquisition and protection of trademarks, patents and models;

20. Tourist information documentation intended for free distribution, of which the main purpose is to present the range of its services for tourists;

21. Documents sent free of charge to government agencies; Publications of foreign state bodies and international bodies and organisations; forms for exercising the powers of state bodies; items of evidence in court proceedings; printed circulars sent within the routine exchange of information among public services or banking institutions; official printed materials received by the Bank of Slovenia; documents, archives and forms for use at international meetings, conferences or congresses; plans, technical drawings, models and similar documents for the purposes of participation in international competition organised in Slovenia; printed forms used in accordance with international conventions as official documents in international vehicle or goods transport; photographs and slides sent to press agencies or news publishers; collector's items and works of art which are not intended for sale and which are imported free of charge by museums, galleries, and other institutions in order to be exhibited free of charge; wall maps, films (other than cinematographic) and other audio-visual products of an educational nature produced by the United Nations or its specialised agencies;

22. Material necessary for loading and securing goods during transport; litter and fodder for animals during transport loaded onto a means of transport which is used for transportation of animals from a foreign country to Slovenia or through Slovenia;

23. Fuels and lubricants in the factory preinstalled tanks of motor vehicles;

24. Materials intended for the erection, maintenance or decoration of memorials, tombs or cemeteries of war victims from other countries; Coffins containing the mortal remains and urns containing the ashes of the deceased, and funeral items that normally accompany coffins and urns.

(2) The minister responsible for finance shall lay down the detailed conditions and the methods of application of exemptions under this Article.
5. Exemptions on exportation

Article 52

(Exempt transactions)

(1) The following transactions shall be exempt from VAT:

a) the supply of goods dispatched or transported from Slovenia to a destination outside the Union by or on behalf of the vendor;

b) the supply of goods dispatched or transported from Slovenia to a destination outside the Union by or on behalf of a customer not established within the territory of Slovenia, with the exception of goods transported by the customer himself for the equipping, fuelling or other forms of provisioning of private boats, private aircraft or any other means of transport for private use;

c) the supply of goods to approved bodies which export them out of the Union as part of their humanitarian, charitable or teaching activities outside the Union;

d) the supply of services consisting in work on goods (movable tangible property) acquired or imported for the purpose of undergoing such work; however only if the customer is not established within the territory of Slovenia and provided that the goods are dispatched or transported out of the Union by or on behalf of the person providing the service or the customer;

e) the supply of services, including transport and ancillary transactions, but excluding the supply of services exempted in accordance with Articles 42 and 44 of this Act, where these are directly connected with the exportation or importation of goods covered by paragraphs (2) and (3) of Article 31 and with the importation of goods covered by Article 58 of this Act.

(2) Exemption from VAT for the supply of goods from point b) of paragraph (1) of this Article, which are carried in passengers' personal luggage, shall be granted in the same manner as VAT refund, provided that the conditions from Article 75 of this Act are satisfied.

(3) Exemption from VAT for the supply of goods from point c) of paragraph (1) of this Act shall be granted by means of a refund of the VAT to approved bodies.

6. Exemptions related to international transport

Article 53

(Supply, chartering and repair of vessels and aircraft, provisioning and performance of services to meet the direct needs of vessels and aircraft)

The following transactions related to international transport shall be exempt from VAT:

a) the supply of goods for fuelling and provisioning of vessels used for navigation on high seas and carrying passengers for reward or used for the purpose of commercial, industrial or
fishing activities, and for rescue or assistance at sea, or for inshore fishing, with the exception, in the case of vessels used for inshore fishing, of ships' provisions;

b) the supply of goods for the provisioning of fighting ships, falling within the combined nomenclature (CN) code 8906 10 00, leaving the territory of Slovenia and bound for ports or anchorages outside Slovenia;

c) the supply, modification, repair, maintenance, chartering and hiring of the vessels from points a) and b) of this Article, and the supply, hiring, repair and maintenance of equipment, including fishing equipment, incorporated or used therein;

d) the supply of services, excluding the supply of services from point c) of this Article, for the direct needs of vessels referred to in point a) or of their cargoes;

e) the supply of goods for fuelling and provisioning of aircraft used by airlines for flights on international air routes for consideration.

f) the supply, modification, repair, maintenance, chartering and hiring of the aircraft from point e) of this Article, and the supply, hiring, repair and maintenance of equipment incorporated or used therein;

g) the supply of services, except for services from point f) of this Article, for the direct needs of the aircraft referred in point e) of this Article or of their cargoes.

7. Exemptions relating to certain transactions treated as exports

Article 54

(Exemptions under diplomatic and consular arrangements, NATO, supply of gold to central banks)

(1) The following transactions shall be exempt from VAT:

a) the supply of goods or services under diplomatic and consular arrangements;

aa) supplies of goods or services to the European Union, the European Atomic Energy Community, the European Central Bank, the European Investment Bank or bodies established by the Union to which the Protocol on the privileges and immunities of the European Community of 8 April 1965 applies, within the framework and under the conditions set out in the abovementioned protocol and agreements on its implementation or headquarters agreements, and particularly only to the extent that it does not cause a distortion of the competition.

b) the supply of goods or services to international organizations not mentioned in the preceding point and to members of such organisations within the limits and under the conditions laid down by the international conventions establishing the organizations or by agreements on headquarters applicable to Slovenia;

c) the supply of goods or services in the territory of Slovenia to the armed forces of other states which are parties to the North Atlantic Treaty, or of the civilian staff accompanying
them, or for supplying their messes or canteens, when such forces take part in the common defence effort;

d) the supply of goods or services to another Member State, intended for the armed forces of any State which is a party to the North Atlantic Treaty, other than the Member State of destination itself, for the use of those forces, or of the civilian staff accompanying them, or for supplying their messes or canteens, when such forces take part in the common defence effort;

e) the supply of gold to central banks.

(2) The minister responsible for finance shall lay down the detailed conditions for and the method of application of exemptions under this Article and shall lay down the quantitative and value restrictions for individual types of goods for which beneficiaries from points a) to d) of paragraph (1) of this Article may claim exemptions.

8. Exemptions for the supply of services by intermediaries

Article 55

(Exemptions for the supply of services by intermediaries)

(1) VAT exemption shall apply to the supply of services by intermediaries, acting in the name and on behalf of another person, where they take part in the transactions referred to in Articles 52 through 54 of this Act, or of transactions carried out outside the Union.

(2) The exemption referred to in paragraph (1) of this Article shall not apply to travel agents who, in the name and on behalf of travellers, supply services which are carried out in other Member States.

9. Exemptions for transactions relating to international trade

Article 56

(Conditions for granting exemptions)

The exemption from VAT under this sub-chapter shall be granted only where goods or services are not aimed at final use or consumption and where the amount of VAT due on cessation of the arrangements or situations referred to in this sub-chapter corresponds to the amount of VAT which would have been due had each of those transactions been taxed within Slovenia.

Article 57

(Exemptions for the supply of goods and services in customs arrangements)

(1) The following transactions shall be exempt from VAT:

a) the supply of goods which are presented to the tax authority and place in temporary storage according to customs regulations;
b) the supply of goods which are placed in a free zone or in a free warehouse according to customs regulations;

c) the supply of goods which are placed under customs warehousing arrangements or inward processing arrangements according to customs regulations.

(2) VAT exemption shall also apply to the services in connection with the supply of goods under paragraph (1) of this Article.

(3) VAT exemption shall also be granted to the supply of goods from paragraph (1) of this Article in free or customs warehouses and to the supply of services for such goods; however, only while the goods are in a free zone or a free warehouse or place under customs warehousing arrangements according to customs regulations.

Article 58

(Exemptions relating to the supply of certain goods and services in tax warehouses)

(1) Exemption from VAT shall also be granted to the supply and importation of goods referred to in Annex II to this Act, which are placed in a tax warehouse in Slovenia.

(2) For the purposes of this Act, the terms "tax warehouse" shall have the following meaning:

– for mineral oils: a place defined as an excise warehouse according to the Act governing excise duties;

– for other goods: a place defined as a tax warehouse according to this Act and the regulation issued by the minister responsible for finance.

(3) No goods intended for retail sale shall be placed in a tax warehouse except in the following cases:

a) where the goods are intended for duty-free shops located beyond the customs exit point at the airport or port, for sale of goods to be carried in the personal luggage of travellers taking flights or sea crossings to third territories or third countries, where that supply is exempt pursuant with point b) of paragraph (1) of Article 52 of this Act;

b) where the goods are intended for taxable persons, for the purposes of carrying out supplies to travellers on board an aircraft or a ship in the course of a flight or a sea crossing where the place of arrival is situated outside the Union;

c) where the goods are intended for taxable persons, for the purposes of carrying out supplies which are exempt from VAT pursuant to Article 54 of this Act.

(4) VAT exemption shall also apply to the services in connection with the supply of goods under paragraph (1) of this Article.

(5) Exemption from VAT shall also be granted to the supplies of goods from Annex II, which is an attachment and a constituent part of this Act, and to the supply of services for such goods for as long as the goods are placed under a tax warehousing arrangement.
Article 59

(Tax warehouse)

(1) Products from Annex II to this Act, which may be subject to VAT exemption as long as they are placed under a warehousing arrangement, may be placed only in a tax warehouse approved by the tax authority.

(2) The tax authority may grant an authorisation to a person which it deems eligible for a holder of a tax warehouse with regard to financial and other circumstances and who, to a large extent, provides for the warehousing of goods referred to in Annex II of this Act.

(3) The establishment and operation of a tax warehouse shall be subject, mutatis mutandis, to the provisions of customs regulations covering customs warehouses.

(4) The minister responsible for finance shall lay detailed regulations on the conditions to be met by holders of warehouses in order to obtain an authorisation for operating a tax warehouse, the method of VAT payment insurance, the contents of the application for authorisation, expiration of the authorisation, and documentation to be provided and kept by the holder of authorisation.

Article 60

(Intra-Community acquisition of goods)

VAT exemption under this sub-chapter shall, under the same conditions as those laid down for the supply of goods within the territory of Slovenia, also apply to the Intra-Community acquisition of goods.

Article 61

(Amount of VAT due)

(1) VAT shall be charged for goods subject to one of the procedures or options from this sub-chapter at the time when these procedures or options exercised for such goods cease.

(2) If the goods are not supplied during the time when the goods are subject to one of the procedures or options from this sub-chapter, the amount of VAT due shall equal the tax which would be charged on import, on the supply of goods or on their acquisition within the Union, plus the amount of tax that would be charged on services.

(3) If the goods are supplied during the time when such goods are subject to one of the procedures or options from this sub-chapter, the amount of VAT due shall equal the tax which would be charged on the last supply, plus tax that would be charged on services provided after the last supply of goods has been made.
IX. VAT DEDUCTION

1. Origin and scope of right of deduction

Article 62

(Origin and scope of right of deduction)

A right of deduction input VAT shall arise at the time the VAT becomes chargeable.

Article 63

(Scope of rights)

(1) In so far as the goods and services are used for the purposes of the taxed transactions of a taxable person, the taxable person shall be entitled to deduct VAT from the VAT which he is liable to pay the VAT due or paid in respect of goods or services supplied to him:

a) the VAT due or paid in Slovenia in respect of goods or services supplied or to be supplied to him by another taxable person;

b) the VAT due in respect of transactions treated as supplies of goods or services pursuant to point a) of Article 8 of this Act;

c) the VAT due in respect of intra-Community acquisitions of goods pursuant to point 2. a) of paragraph (1) of Article 3 of this Act;

d) the VAT due in respect of transactions treated as intra-Community acquisition of goods pursuant to Articles 12 and 13 of this Act;

e) the VAT due or paid in Slovenia in respect of the importation of goods.

(2) By way of derogation from paragraph (1) of this Article, a taxable person shall also be entitled to deduct the VAT in so far as the goods and services are used for the purposes of the following:

a) transactions relating to the activity from paragraph (2) of Article 5 of this Act carried out outside Slovenia, in respect of which VAT would be deductible if it had been carried out in Slovenia;

b) transactions which are exempt from VAT pursuant to Articles 46 or 49, point 12 of paragraph (1) of Article 50 and Articles 52 through 58 of this Act;

c) transactions which are exempt pursuant to points 1 and 4 (a) to (e) of Article 44 of this Act, where the customer is established outside the Union or where those transactions relate directly to goods to be exported out of the Union.

(3) Taxable person who is not established in Slovenia and is not identified for VAT purposes in Slovenia shall be entitled to obtain a refund of VAT on goods and services acquired in
Slovenia or on imports of goods into Slovenia provided that the goods and services are used for:

a) transactions referred to in paragraph (2) of this Article,

b) transactions for which the person liable to pay VAT according to Article 76 of this Act is solely the recipient.

(4) VAT shall be refunded to a taxable person established in another Member State in accordance with Articles 74 to 74g of this Act.

(5) VAT shall be refunded to a taxable person established outside the Union in accordance with Article 74i of this Act.

Article 63a

(Immovable property)

(1) A taxable person that uses immovable property which is a part of the taxable person’s business assets in the performance of his activities as well as for his private purposes or for private purposes of his employees or for other purposes, such as for performing his activities, shall be, pursuant to Article 62, paragraphs (1) and (2) of Article 63, and paragraphs (1) and (7) of Article 65 of this Act, entitled to a deduction of VAT which the taxable person is liable to pay for this immovable property only for the part of the immovable property which is used by the taxable person in the performance of his activities.

(2) Notwithstanding Article 15 of this Act, the VAT deduction adjustment due to the change in the proportion of use of the immovable property from the preceding paragraph shall be made in accordance with the principles laid down in Articles 68, 69 and 70 of this Act.

Article 64

(New means of transport)

(1) A taxable person referred to in paragraph (3) of Article 5 of this Act who, on an occasional basis, supplies a new means of transport under the conditions from point (2) of Article 46 of this Act, shall be entitled to deduct VAT which is included in the purchase price or paid on import or on the acquisition of the means of transport within the Union up to the amount not exceeding the amount of the VAT which he would be obliged to pay if the supply had not been exempt.

(2) A right of deduction shall arise and may be exercised only at the moment of supply of a new means of transport. A taxable person may claim a VAT deduction in the form of a VAT refund by way of a claim to be submitted to the tax office, in electronic form, within 15 days following the day of supply.

(3) The minister responsible for finance shall prescribe detailed rules for the implementation of this Article.
Article 65

(Deductible proportion)

(1) In the case of goods and services used by the taxable person both for transactions in respect of which VAT is deductible pursuant to Article 63 of this Act and for transactions in respect of which VAT is not deductible, only such proportion of the VAT as is attributable to the former transactions shall be deductible. The deductible proportion shall be determined, in accordance with this article, for all transactions carried out by the taxable person.

(2) The deductible proportion shall be determined by indicating the following:

a) as numerator: the total amount, exclusive of VAT, of turnover per year attributable to transactions in respect of which VAT is deductible pursuant to Article 63 of this Act;

b) as denominator: the total amount, exclusive of VAT, of turnover per year attributable to transactions included in the numerator and to transactions in respect of which VAT is not deductible, including the amount of subsidies other than those directly linked to the price of supplies of goods or services referred to in paragraph (1) of Article 36 of this Act.

(3) The following amounts shall be excluded from the calculation of the deductible proportion:

a) the amount of the turnover attributable to supplies of capital goods used by the taxable person for the purposes of his business;

b) the amount of turnover attributable to incidental real estate transactions;

c) the amount of turnover attributable to incidental financial transactions.

(4) The deductible proportion shall be determined on an annual basis, fixed as a percentage, and rounded up to a figure not exceeding the next whole number.

(5) The deductible proportion for the current year shall be determined provisionally on the basis of the preceding year's transactions. In the absence of any such transactions to refer to, or where they were insignificant in amount, the deductible proportion shall be estimated provisionally, by the tax authority on the basis of the taxable person’s own forecast. The taxable person shall submit the forecast to the tax authority, in electronic form.

(6) Deductions made on the basis of such provisional proportions shall be adjusted when the final proportion for the previous year is fixed during the following year.

(7) Notwithstanding the paragraph (1) of this Article, a taxable person may determine the deductible proportion for each individual area of his activity separately, provided that he maintains separate accounts for each individual area of his activity and provided that he notifies the tax authorities of the method of defining the deductible proportion. If the tax authority receives the notification at least 15 days before the start of the new tax period, the taxable person may start calculating the deductible proportion pursuant to this paragraph in the first tax period following the tax period in which he notifies the tax authority of his decision, and in other cases at the beginning of the next tax period. The taxable person shall
calculate the deductible proportion according to the method chosen pursuant to this paragraph for at least 12 months. If a taxable person wishes to change the method of calculating the deductible proportion again, he shall notify this change to the tax authority. The taxable person shall submit the notification to the tax authority, in electronic form.

(8) The tax authority may, following the notification made in accordance with the paragraph (7) of this Article, prohibit the taxable person from using the method chosen for determining the deductible proportion if the taxable person has chosen a method which does not provide for the implementation of the legally defined supervision of charging and payment of VAT.

Article 66

(Restrictions on the right of deduction)

A taxable person shall not deduct VAT on:

a) yachts and boats intended for sport and recreation, fuels, lubricants, spare parts and services which are closely linked thereto, other than vessels used for transport of passengers and goods, leasing, renting and resale;

b) aircraft, fuels, lubricants, spare parts and services which are closely linked thereto, other than aircraft used for transport of passengers and goods, leasing, renting and resale;

c) passenger cars and motorcycles, fuels, lubricants, spare parts and services which are closely linked thereto, other than vehicles used for transport of passengers and goods, leasing, renting and resale, vehicles used in driving schools for the provision of the driver's training programme in accordance with the regulations in force and combined vehicles for carrying out an activity of a public line and special line transport, and special vehicles adapted exclusively for the transport of deceased people;

d) entertainment expenses (where entertainment expenses shall include only the costs of entertainment and amusement during business or social contacts);

e) expenses for meals (including drinks) and accommodation expenses, except expenses incurred by taxable person in connection with these supplies in the ordinary course of his business.

Article 66a

(deleted)

Article 67

(Rules governing exercise of the right of deduction)

(1) In order to exercise the right of deduction, a taxable person shall meet the following conditions:
a) for the purpose of deductions pursuant to point a) of paragraph (1) of Article 63 of this Act, in respect of the supply of goods or services, he shall hold an invoice drawn up in accordance with Articles 80a to 84a of this Act;

b) for the purposes of deductions pursuant to point b) of paragraph (1) of Article 63 of this Act, in respect of transactions treated as the supply of goods or services, he shall comply with the formalities as laid down by the minister responsible for finance;

c) for the purposes of deductions pursuant to point c) of paragraph (1) of Article 63 of this Act in respect of intra-Community acquisition of goods, he shall provide in the VAT return referred to in Article 87 of this Act all the information required for calculating the VAT amount due on his acquisitions and shall hold an invoice for such acquisitions;

d) for the purposes of deductions pursuant to point d) of paragraph (1) of Article 63 of this Act, in respect of transactions treated as intra-Community acquisition of goods, he shall complete the formalities as laid down by the minister responsible for finance;

e) for the purposes of deductions pursuant to point e) of paragraph (1) of Article 63 of this Act, in respect of the importation of goods, he shall hold an import document specifying him as a recipient or importer, and stating the amount of VAT due or enabling that amount to be calculated;

f) when required to pay VAT as a customer where points 2., 3., and 4. of paragraph (1) of Article 76 or Article 76a of this Act apply, he shall comply with the formalities as laid down by the minister responsible for finance.

(2) The taxable person shall make the deduction by subtracting from the total amount of VAT due for a given tax period the total amount of VAT in respect of which, during the same period, the right of deduction has arisen and may be exercised in accordance with paragraph (1) of this Article. If a taxable person does not make VAT deduction in this tax period, he may make this deduction at any time after this tax period; however, not later than in the last tax period of the calendar year following the year in which he was granted the right of deduction.

(3) The taxable person from paragraph (3) of Article 95 of this Act may deduct the amount of flat-rate compensation in the tax period in which he paid the flat-rate compensation.

(4) Where a taxable person receives an invoice specifying VAT from a person who is not allowed to include VAT in his invoice under this Act, the taxable person may not deduct this VAT regardless of whether the unauthorised person pays this VAT or not.

(5) Where a taxable person receives an invoice specifying an amount of VAT which exceeds the amount of VAT due according to this Act, the taxable person shall not deduct this excess amount of VAT regardless of whether the VAT has been paid or not.

(6) A taxable person shall be entitled to deduct VAT not earlier than in the tax period in which he receives invoices for goods or services supplied to him or in which he receives customs declarations for imported goods.
Article 68

(Adjustment of VAT deduction)

(1) A taxable person shall adjust its original VAT deduction where it is higher or lower than that to which the taxable person was entitled.

(2) Adjustment shall, in particular be made where, after the VAT return is made, some change occurs in the factors used to determine the amount to be deducted, for example where purchases are cancelled or price reductions are obtained.

(3) By way of derogation from paragraph (2) of this Article, no adjustment shall be made in the case of destruction or loss of property duly proved or confirmed, and in the case of goods reserved for the purpose of making gifts of small value or of giving samples as referred to in Article 7 of this Act.

Article 69

(Adjustment of deductions for capital goods)

(1) In the case of capital goods, adjustment shall be spread over five years except for immovable property acquired as capital goods for which the adjustment shall period may be extended up to 20 years.

(2) The period from paragraph (1) of this Article shall be deemed to start on the date of application of such capital goods.

(3) The tax period in which the deduction of input VAT was (or was not) made shall be considered as the start on the date of application under the second paragraph of this Article.

(4) The annual adjustment shall be made only in respect of one-fifth or one-twentieth of the amount of the VAT charged on the capital goods. The adjustment shall be made on the basis of the variations in the deduction entitlement in subsequent years in relation to that for the year in which the goods were used for the first time.

(5) VAT deduction adjustment shall not be made if the difference does not exceed EUR 10.

Article 70

(Supply of capital goods during the adjustment period)

(1) If supplied by the taxable person during the adjustment period, capital goods shall be treated as if they had been applied to an economic activity of the taxable person up until the expiry of the adjustment period.

(2) The economic activity shall be presumed to be fully taxed in cases where the supply of the capital goods is taxed.

(3) The economic activity shall be presumed to be fully exempt in cases where the supply of the capital goods is exempt.
(4) The adjustment provided for in paragraph (1) of this Article shall be made only once in respect of all the time covered by the adjustment period that remains to run.

Article 71

(deleted)

Article 72

(VAT deduction adjustment based on the decision of tax authorities)

(1) Where the amount of VAT charged by a taxable person on the supply of goods and services is changed (increased), the taxable person may, in accordance with the tax authority's decision, issue a corrected invoice with the correctly calculated VAT amount, on the basis of which the recipient of goods and services shall exercise his right to deduct VAT in accordance with the provisions of this Act in the tax period in which he receives such invoice.

(2) Where the amount of VAT charged on the importation of goods, which the taxable person has taken into account as a deduction of input VAT, changes, the deduction of input VAT may be adjusted by the difference arising on the basis of the customs documents or a decision of the tax authority.

(3) The content of the invoice referred to in paragraph (1) of this Article shall be determined by the minister responsible for finance.

2. VAT REFUND

2.1. VAT refund based on VAT return

Article 73

(VAT refund based on VAT return)

(1) Where the amount of deductions in a given tax period exceeds the amount of VAT due, the surplus shall be carried forward to the next tax period.

(2) By way of derogation from paragraph (1) of this Article, the surplus VAT may be refunded to the taxable person on his request within 21 days after the VAT return is submitted.

(3) A taxable person who does not receive the surplus VAT within the time limit referred to in paragraph (2) of this Article shall be entitled to default interest at a rate laid down by the law governing tax procedure, as from the first day after the expiry of a 21-day period after the VAT return has been submitted.

(4) Where a taxable person misses the deadline for payment of other taxes, he shall receive the VAT when his tax debt is paid in full.
Article 73a

(VAT refund under specific circumstances)

(1) In case of doubt as to justification of the request for VAT refund based on VAT return, the tax authority may, before executing the refund, request that the taxable person provide an appropriate guarantee to ensure the fulfillment of obligations according to the act regulating the tax procedure.

(2) The submitted security instrument shall be deemed appropriate if it guarantees the fulfillment of tax liability in the amount of the request for refund.

(3) If the tax authority determines that the request for VAT refund is not justified, and a VAT refund has already been made, the tax authority shall exercise the security provided in order to recover the unduly refunded VAT.

(4) If the tax authority determines that the request for VAT refund is justified, the tax authority shall release the security without delay and return the submitted security instrument to the taxable person.

2.2. VAT refund to taxable persons established in another Member State

Article 74

(Conditions for VAT refund)

(1) A taxable person who is not established in Slovenia but in another Member State (hereinafter: taxable person established in another Member State) shall be entitled to a refund of VAT charged for goods or services supplied to him by other taxable persons within the territory of Slovenia or for imports of goods into Slovenia provided that the following conditions are satisfied:

a) that at the time of refund he had no place of establishment or fixed establishment through which he carried out his business transactions or, if he had no such place of establishment or fixed establishment, he had no permanent address or usual residence in Slovenia;

b) at the time of refund he supplied no goods or services which might be considered to be a supply performed in Slovenia except the following transactions:

- transport services and related ancillary services exempt from VAT pursuant to point 13 of Article 50, Articles 52 and 53, points a), b), c) and d) of paragraph (1) of Article 54, Article 55, or Articles 57 and 58 of this Act;

- supplies of goods and services to a recipient of goods and services who is liable to pay tax pursuant to points 2, 3 and 4 of paragraph (1) and paragraph (2) of Article 76 of this Act.

(2) A taxable person who is established in another Member State shall be entitled to VAT refund provided that the goods and services referred to in the preceding paragraph are used for the following transactions:
transactions specified in points a) and b) of paragraph (2) of Article 63 of this Act;

- transactions for which a recipient is liable to pay VAT pursuant to points 2, 3 and 4 of paragraph (1) and paragraph (2) of Article 76 of this Act.

(3) A taxable person established in another Member State shall be entitled to a refund of those amounts of VAT for which a taxable person established in Slovenia could claim a VAT deduction pursuant to this Act.

(4) A taxable person established in another Member State shall not be entitled to a refund of:

- VAT unduly charged pursuant to this Act;

- VAT for the supply of goods which is exempt or may be exempted in accordance with Article 46 or point b) of paragraph (1) of Article 52 of this Act.

Article 74a

(Restriction of entitlement to a VAT refund due to a restriction of entitlement to deduct VAT in the Member State of establishment)

(1) A taxable person established in another Member State shall be entitled to a refund of VAT in Slovenia provided that in the Member State of his establishment he performs transactions for which he is entitled to deduct VAT.

(2) When a taxable person performs in the Member State of his establishment transactions for which he is entitled to deduct VAT and transactions for which he is not entitled to deduct VAT, he shall be entitled to a VAT refund in Slovenia only in the amount which is, according to the rules on deductible proportion in the Member State of establishment, attributable to transactions for which he is entitled to deduct VAT.

Article 74b

(Request for refund)

(1) “Request for refund” shall mean a request for refund of VAT which is charged in Slovenia to a taxable person established in another Member State for goods or services supplied to him by other taxable persons within the territory of Slovenia or for imports of goods into Slovenia.

(2) A taxable person established in another Member State shall claim a VAT refund in Slovenia by submitting a VAT refund request through the electronic portal in the Member State which issued the VAT identification number or the tax reference number under which the taxable person requests a refund (hereinafter: the applicant).

(3) The applicant’s request shall include the following information:

- name and full address of the applicant;

- email address of the applicant;
- description of the applicant’s business activity for which the goods and services have been acquired;

- the period of refund for which the request is made;

- a statement that, during the refund period, the applicant supplied no goods or services which could be considered to have been supplied in Slovenia, except transactions referred to in point b) of paragraph (1) of Article 74 of this Act;

- VAT identification number or tax reference number of the applicant;

- bank account information, including the International Bank Account Number (IBAN) and Bank Identification Code (BIC).

(4) The applicant must also submit copies of invoices or import documents with the request if the tax base on the invoice or import document totals at least EUR 1,000 or if the tax base on the invoice for fuel totals at least EUR 250.

(5) In addition to the information specified in the preceding paragraph, the request shall also include the following information for each invoice or import document:

- name and full address of the supplier;

- VAT identification number acquired by the supplier in Slovenia, except for import;

- date and number of invoice or import document;

- taxable amount and VAT amount expressed in euros;

- amount of deductible VAT calculated pursuant to paragraphs (2) and (3) of Article 74 and paragraph (2) of Article 74a of this Act, expressed in euros;

- eventual deductible proportion calculated in accordance with Article 74a of this Act and expressed as a percentage;

- type of acquired goods or services marked by statutory codes.

(6) Codes for the type of acquired goods and services referred to in the preceding paragraph shall be laid down by the minister responsible for finance."

Article 74c

(Adjustment of the original deductible proportion)

(1) The applicant shall adjust the amount of VAT which is the subject of his request or which has already been refunded to him if he adjusted the original deductible proportion of VAT after the submission of the request for refund. The adjustment shall be included into the request for refund in the calendar year following the calendar year in which VAT is charged, or into a special request sent through the electronic portal in the Member State of the
applicant's establishment provided that the applicant files no request for refund in that calendar year.

(2) The tax authority shall take into consideration the adjustment of the previous request for refund referred to in the preceding paragraph by increasing or decreasing the refunded amount by means of independent payment or refund in case of submission of a special request.

Article 74d

(Refund period)

(1) The request for refund shall relate to the following:

a) purchases of goods and services for which invoices were issued during the refund period, provided that VAT became chargeable before or on the invoice date, or for which the liability to charge VAT was incurred during the refund period, provided that the invoice had been issued before the date when VAT became chargeable;

b) import of goods during the period of refund;

c) invoices or import documents not included in any earlier request for refund and concerning transactions completed during the calendar year in question.

(2) When the Member State of refund is Slovenia, the request for refund filed by applicant in the Member State which issued the VAT identification number or tax reference number under which the applicant requests a refund, should be submitted in Slovenia by not later than 30 September following the expiration of the calendar year in which VAT is charged. A request shall be deemed to be submitted if the applicant provides all information specified in paragraphs (3), (4) and (5) of Article 74b of this Act.

(3) A request for refund may be made for the period of refund which shall not be shorter than three months of a calendar year and not longer than a calendar year. A request may also relate to a period shorter than three calendar months provided that this period represents the remainder of a calendar year.

(4) When the request relates to a refund period which is shorter than one calendar year but not shorter than three months, the VAT amount for which a refund is requested shall not be less than 400 euros. When the request relates to a calendar year or to the remaining portion of a calendar year, the VAT amount for which a refund is requested shall not be less than 50 euros."

Article 74e

(Time limit for decision on refund request and time limit for VAT refund)

(1) The tax authority shall forthwith electronically notify the applicant of the date of receipt of the request sent to the competent tax office by the Member State of the applicant's establishment. The tax authority shall decide on the request within four months of receipt thereof.
(2) If the tax authority considers that there is no sufficient information available to decide on the request for refund, it may, within four months of receipt of the request, require the applicant or the competent authority of the Member State of establishment to provide additional information in electronic form. When additional information is required from other persons, the request for information shall be sent by electronic means only when such electronic means are available to the request recipient. It shall send the request for additional information to the email address of the applicant, who is specified on the request for refund in accordance with the second indent of paragraph 3 of Article 74b of this Act, or to the email address of the competent tax authority of the Member State of establishment. The request for additional information shall be deemed to have been served on the day on which the tax authority receives the notification that the email has been received, but at the latest on the fifteenth day following the date the request was sent. If the tax authority has reasonable doubts about the validity and regularity of a particular request for refund, it may request the applicant to submit the original or a copy of invoice or import document. The request recipient shall provide the tax authority with additional information within one month of receipt of the request.

(3) When the tax authority requests additional information pursuant to the preceding paragraph, it shall decide on the request for refund within two months of the date of receipt of the required additional information, or within two months of the date of receipt of the request for additional information by the recipient if the tax authority’s request remains unanswered. The time limit for deciding on the request as a whole or a part of it referred to in the preceding paragraph shall in all circumstances be at least six months from the date of receipt of the request for refund by the tax authority.

(4) When the tax authority requests further additional information besides the information specified in the preceding paragraph, it shall decide on the request for refund within eight months of receipt of the request at the latest.

(5) The decision shall be served via the electronic portal of the Member State of the applicant’s establishment, unless the Member State of establishment of the applicant does not provide for the serving of decisions on the taxable person via the electronic portal. The decision shall be deemed to have been served on the fifteenth day from the date it was sent to the electronic portal of the Member State of establishment. If the Member State does not provide for the serving of decisions on the taxable person via the electronic portal, the decision shall be sent to the email address specified in the request in accordance with the second indent of paragraph 3 of Article 74b of this Act. The decision shall be deemed to have been served on the fifteenth day from the date it was sent to this email address.

(6) An appeal against the decision may be filed within thirty days from the date on which the decision is deemed to have been served.

(7) A statement of reasons for the decision to refund VAT to taxable persons established in another Member State may only include a short explanation of the taxable person's request, the legal basis, and, in the event of refusal or partial refusal, the code for the reason for the refusal.

(8) Codes for reasons for refusal or partial refusal of the request for refund shall be prescribed by the minister responsible for finance.
If the tax authority grants the request for refund, the refund shall be made within no later than 10 business days after the expiration of the time limit referred to in paragraph (1) of this Article or, if the tax authority requests additional information, after the expiration of the time limits referred to in paragraphs (3) and (4) of this Article. The refund shall be paid into the applicant's account in Slovenia or, at the applicant's request, into his account in another Member State at his own costs.

Article 74f

(VAT refund obtained by fraud)

(1) When a VAT refund is obtained by fraud or in any other incorrect manner, the tax authority shall, without prejudice to the provisions on mutual assistance for the recovery of VAT, forthwith proceed to the procedure for recovery of unduly paid amounts, including any financial penalties, fines or default interest.

(2) If a financial penalty, fine or default interest were imposed and not paid, the tax authority shall refund the amount of VAT to the applicant together with subsequent refunds, less the amount of the financial penalty, fine and default interest accrued from the date of refund to the date of recovery of unduly paid amounts.

Article 74g

(Late refund interest)

(1) When a VAT refund is made after the expiration of the time limit referred to in paragraph (9) of Article 74e of this Act, the applicant shall be entitled to late refund interest.

(2) Notwithstanding the preceding paragraph, the applicant shall not be entitled to receive late refund interest if he fails to provide additional information within the required time limit in accordance with paragraphs (2) and (4) of Article 74e of this Act.

(3) Late refund interest shall be calculated for the period from the date following the last date for payment specified by paragraph (9) of Article 74e of this Act up to the date of actual payment, in the amount determined for default interest by the act governing tax procedure.

2.3. VAT refund to taxable persons established in Slovenia made in another Member State

Article 74h

(Claiming VAT refund in another Member State)

(1) A taxable person established in Slovenia, who is entitled to a refund of VAT in another Member State, shall file a refund request to the tax authority by electronic means.

(2) The taxable person shall submit the request referred to in the preceding paragraph by no later than 30 September following the expiration of the calendar year in which VAT is charged. A request shall be deemed to be submitted if the taxable person provides all information required by the Member State of refund.
(3) The Member State of refund referred to in the preceding paragraph shall be the Member State in which VAT is charged to a taxable person established in Slovenia for goods or services supplied to him by other taxable persons within such Member State of for imports of goods into such Member State.

(4) The tax authority shall send forthwith electronically an acknowledgement of receipt of the request for refund to the applicant.

(5) The tax authority shall send the received request electronically to the competent authority of the Member State of refund unless during the refund period:

- the applicant is not a taxable person identified for VAT purposes in Slovenia;

- the applicant supplies only goods and services which are exempt from VAT with no right to deduct VAT pursuant to paragraph (1) of Article 42, Article 44, and paragraph (2) of Article 49 of this Act;

- the applicant claims exemption from VAT for small taxable persons in accordance with paragraph (1) of Article 94 of this Act;

- the applicant only exercises his right to a special arrangement for farmers referred to in paragraph (2) of Article 94, and Articles 95 and 96 of this Act.

(6) The tax authority shall notify the applicant of its decision not to send the request for refund to the Member State of refund as required by the preceding paragraph by electronic means.

2.4. VAT refund to taxable persons established in a third country

Article 74i

(Conditions for VAT refund)

(1) A taxable person who has established his business or has a fixed establishment from which business transactions are carried out and has his permanent address or usually resides outside the Union (hereinafter referred to as: taxable person established in a third country) shall, subject to the conditions laid down in this Act, be entitled to a refund of VAT charged for goods or services supplied to him by other taxable persons within the territory of Slovenia, or charged on the importation of goods into Slovenia.

(2) A taxable person established in a third country shall be entitled to a VAT refund provided that:

a) he has, within the prescribed period, not supplied goods or services deemed to have been carried out in Slovenia, except:

– transport services and related ancillary services subject to exemption in accordance with point 13 of Article 50, Articles 52 to 57, or Article 58 of this Act;
services on which, in accordance with point 3 of paragraph (1) of Article 76 of this Act, VAT must be paid exclusively by the person to whom the services were supplied;

b) goods or services referred to in the first paragraph of this Article are used for the purposes of:

- transactions from point a) of paragraph (2) of Article 63 of this Act;

- transactions exempt from VAT in accordance with point 13 of Article 50, Articles 52 to 57 or Article 58 of this Act;

- supply of services on which, in accordance with point 3 of paragraph (1) and paragraph (2) of Article 76 of this Act, VAT must be paid exclusively by the person to whom the services were supplied;

c) other conditions referred to in Articles 62, 63, 66 and 67 of this Act relating to the right to deduct VAT are met.

(3) A taxable person established in a third country shall not be entitled to a refund of:

- VAT unduly charged pursuant to this Act;

- VAT for the supply of goods which is exempt or may be exempted in accordance with point b) of paragraph (1) of Article 52 of this Act.

(4) A taxable person established in a third country shall be entitled to a VAT refund subject to the following conditions:

- that he files a request for VAT refund with the tax office no later than by 30 June of the year following the calendar year in which VAT was charged;

- that he attaches to his request invoices and electronic customs import declarations;

- that he attaches to his request a certificate (issued by the competent authority of the country in which he is established) that he is liable to pay VAT in that country, which may not be older than one year;

- that he confirms by a statement that, in the period for which he requests a VAT refund, he has not performed a supply of goods or services considered to be performed in Slovenia, other than the supply of services under point a) of paragraph (2) of this Article;

- that he undertakes to repay any unduly obtained (refunded) VAT amount.

(5) A taxable person established in a third country may submit a request for refund:

- for a period of time which is less than one calendar year and not less than six months; however, the amount of VAT for which a refund is requested shall not be less than 400 euros;

- for a period of one calendar year or the remaining portion of a calendar year. This request may also cover invoices or import documents which were not a part of previous requests and
which relate to transactions completed in the current calendar year; however, the required refund amount shall not be less than 50 euros.

(6) VAT refund to taxable persons established in a third country shall be granted only on condition of reciprocity.

(7) If the tax authority considers that there is not sufficient information referred to in paragraph 2 or 4 of this Article available to decide on the request for refund, it may require the applicant to provide additional information by electronic means.

(8) The tax authority shall decide on the request within eight months of receipt thereof. Statement of reasons for the decision to refund VAT to taxable persons established in a third country may only include a short explanation of the taxable person’s request, legal basis, and, in case of refusal or partial refusal, the reason for refusal.

(9) If the tax office grants the request for refund, the refund shall be paid into the applicant’s account on Slovenia or, at the applicant’s request, into his account in a foreign country at his own costs, within no later than 10 business days after the expiration of the time limit referred to in the preceding paragraph.

(10) The minister responsible for finance shall lay down the form and contents of the request for refund.

(11) A taxable person established in a third country may submit to the tax office a request for a refund and attachments thereto in electronic form.

(12) Decisions, resolutions and other documents may be served by electronic means in accordance with the law governing the general administrative procedure. The eDavki information system shall be used as a secure electronic mailbox.

Article 75

(VAT refund in respect of passenger transport)

(1) In respect of the supply of goods from point b) of paragraph (1) of Article 52 of this Act, which are transported in travellers' luggage, exemption shall be exercised in the same manner as VAT refund and shall apply only provided that the following conditions are met:

a) traveller resides outside the Union,

b) the goods are brought out of the territory of the Union prior to the expiration of the third month following the month in which the supply takes place and

c) the total amount of the supplied goods, including VAT, exceeds 50 euros.

(2) For the purposes of paragraph (1) of this Article, a traveller residing outside the Union shall mean a traveller whose permanent address or usual residence is outside the Union. "Permanent address or usual residence" shall mean a place which is indicated as such in a passport, identity card or other identification document whose validity is recognised by Slovenia.
(3) The right to a VAT refund under this Article shall not apply to mineral oils, alcohol and alcoholic beverages, and tobacco products.

(4) A taxable person shall submit a request for refund in electronic form.

(5) The minister responsible for finance shall lay down the method of refund, the contents of the requests for refund, obligations of the vendor on VAT refund, and the method and conditions of reimbursement of VAT refund to the vendor.

X. OBLIGATIONS OF TAXABLE PERSONS AND CERTAIN NON-TAXABLE PERSONS

1. Obligation to pay

Article 76

(Persons liable to pay VAT)

(1) VAT shall be payable by the following persons:

1. any taxable person carrying out a taxable supply of goods or services, except where it is payable by another person in the cases referred to in this Article;

2. any person identified for VAT purposes in Slovenia to whom the goods are supplied under the conditions laid down in Article 22 of this Act , provided that the supply of goods is carried out by a taxable person not established in Slovenia;

3. Every taxable person or non-taxable legal person identified for VAT purposes to which services referred to in paragraph (1) of Article 25 of this Act are supplied, provided that such services are supplied to them by a taxable person not established in Slovenia.

4. the person to whom the goods are supplied when the following conditions are met:

   – the taxable transaction is a supply of goods carried out in accordance with the conditions laid down in paragraph (2) of Article 48 of this Act,

   – the person to whom the goods are supplied is another taxable person, or a non-taxable legal person, identified for VAT purposes within the territory of Slovenia, and

   – the invoice issued by the taxable person not established in Slovenia is drawn up in accordance with this Act;

5. any person effecting a taxable intra-Community acquisition of goods;

6. in respect of the importation of goods, the customs debtor determined in accordance with customs regulations, or the recipient of the goods;

7. the person causing the procedures or possibilities associated with the goods under Articles 57 and 58 of this Act to be completed;
8. taxable person referred to in Article 76b of this Act;

9. any person who includes VAT on its invoice.

(2) Where, according to points 1 to 5 of paragraph (1) of this Article, the VAT contributor is a taxable person not established in Slovenia but is established in another Member State, such taxable person may appoint a tax representative as the person liable to pay VAT. If pursuant to points 1 to 5 of paragraph (1) of this Article, the VAT contributor is a taxable person not established in Slovenia, but is established in a third county or in a third territory, such taxable person shall appoint a tax representative as the person liable to pay VAT, except in the case when such taxable person uses a special arrangement for telecommunications services, broadcasting services or electronic services supplied by taxable persons not established within the Union, or the special scheme for the supply of occasional services of international carriage of passengers by road.

(3) Where a taxable person not established in Slovenia does not pay VAT under paragraph (1) of this Article, the recipient of goods or services shall be liable to pay VAT.

(4) For the purposes of this Article, a taxable person who has a fixed establishment in Slovenia shall be regarded as a taxable person not established in Slovenia provided that the following conditions are satisfied:

a) that the taxable person makes a taxable supply of goods or services in the territory of Slovenia;

b) that the taxable person’s place of establishment in the territory of Slovenia does not participate in the supply of such goods or services.

Article 76a

(Recipients of goods and services as persons liable for payment of VAT)

(1) VAT shall be paid by taxable persons identified for VAT purposes in Slovenia to which the following supplies are made:

a) construction work including repair, cleaning, maintenance, alteration and demolition services in relation to immovable property;

b) supply of staff involved in the performance of activities referred to in the preceding point;

c) supply of immovable property referred to in points 7 and 8 of Article 44 of this Act provided that the supplier has opted for taxation in accordance with Article 45 of this Act;

d) supply of waste, residues and used material and services referred to in Annex III a to this Act and

e) transfer of greenhouse gas emission rights as defined by the act governing the protection of the environment.
Article 76b
(Joint and several liability for payment of VAT)

(1) Every taxable person identified for VAT purposes in Slovenia shall be jointly and severally liable to pay VAT when the objective circumstances show that he knew or should have known that he is involved in transactions aimed at avoiding the payment of VAT.

(2) If the tax authority determines that the supply of goods or services is an integral part of the transactions aimed at avoiding the payment of VAT, it may notify the taxable person to which the supply is made, of the existence of such circumstances and his joint and several liability to pay VAT if he continues to be involved in such transactions. As from the date of receipt of the notification from the tax authority, the taxable person shall be deemed to have been aware of the fact that the purchase involved him in transactions aimed at avoiding the payment of VAT.

(3) Notwithstanding the provisions of the act regulating the protection of confidential tax information, the tax authority shall, acting at the request of the taxable person to whom the supply was made, notify this taxable person whether his supplier had submitted a VAT return.

Article 77
(Payment of VAT into the national budget)

(1) The taxable person shall pay VAT into the national budget not later than within the time limit for submission of the VAT return referred to in Article 88 of this Act.

(2) Notwithstanding the provision of paragraph (1) of this Article, the taxable person shall, in cases referred to in paragraph (3) of Article 88 of this Act, pay VAT not later than on the last business day of the month following the expiration of the tax period, and in cases specified in Article 88a of this Act within 8 days of the expiration of the time limit for submitting VAT return.

(3) VAT shall also be paid within the time limit referred to in paragraph (1) of this Article by the following persons:

a) any person referred to in points 2 to 4 of paragraphs (1), (2) and (3) of Article 76 of this Act;

b) a non-taxable legal person for intra-Community acquisition of goods referred to in point 2.a) of paragraph 3 of this Act.

(4) VAT shall also be paid within the time limit referred to in paragraph (1) of this Article by the following persons:

– a person which is identified for VAT purposes and which makes an intra-Community acquisition of a new means of transport within the Union as referred to in point 2.b) of paragraph (1) of Article3 of this Act;
– a person making the intra-Community acquisition of products subject to excise duty referred to in point 2. c) of paragraph (3) of this Act.

(5) A person who is not identified for VAT purposes and acquires a new mean of transport shall pay VAT based on the decision of the tax authority.

(6) In respect of the importation of goods, VAT shall be paid as an import duty except in cases where the taxable person, subject to the authorisation by the tax authority, shows his liability to pay VAT on imports in his VAT return.

(7) The tax authority may grant the authorisation from the preceding paragraph to the taxable person who, in accordance with customs regulations, submits customs declarations in another Member State in respect of goods located in Slovenia. The taxable person shall submit to the tax authority an application for authorisation in electronic form.

Article 77a

(Specific cases of submitting security instrument for meeting VAT liability)

(1) If the tax authority has doubts as to the justification of the assignment of VAT identification number, it may request the taxable person applying for VAT identification number or whenever after the assignment of such number to submit a security instrument for meeting VAT liability pursuant to the act governing the tax procedure. The tax authority may request the submission of a security instrument for a period of maximum 12 months. If the taxable person fails to act in accordance with the security decision, the tax authority may refuse to assign him a VAT identification number or, if this number has already been assigned, decide to terminate the validity of identification for VAT purposes.

(2) An appeal against the decision from the preceding paragraph shall not stay its execution.

(2) The tax authority may request a taxable person who acquires a means of transport in another Member State to submit, prior to registering the motor vehicle in tax authority’s records, a security instrument for meeting VAT liability for the acquisition of the means of transport.

2. Identification

Article 78

(Compulsory notification)

(1) Every person shall notify the tax authority of when his activity as a taxable person commences and shall submit a request for issue of VAT identification number. The taxable person shall also declare to the tax authority every change related to the performance and the cessation of his activity.

(2) The obligation to file a request for of VAT identification number from the preceding paragraph shall apply to:
(3) Without prejudice to paragraph (1) of this Article, every taxable person or non-taxable legal person who makes intra-Community acquisitions of goods which are not subject to VAT pursuant to points a) and d) of paragraph (1) of Article 4 of this Act shall notify the tax authority that he makes such acquisitions if the conditions, laid down in that provision, for not making such transactions subject to VAT cease to be fulfilled and shall submit a request for issue of a VAT identification number.

(4) Notwithstanding the provision of paragraph (2) of this Article, each taxable person who is established in Slovenia and supplies services in the territory of another Member State, for which the person liable for payment of VAT is exclusively the recipient of services in accordance with Article 196 of Council Directive 2006/112/EC, and each taxable person to whom services are supplied in the territory of Slovenia for which he is liable to pay VAT in accordance with point 3 of paragraph (1) of Article 76, shall submit an application for VAT identification number to the tax authority.

(5) A taxable person or non-taxable legal person shall submit a notification or request for VAT identification number in electronic form.

(6) The form and detailed conditions for submitting the request for issue of VAT identification number shall be laid down by the minister responsible for finance.

Article 78a

(dedected)

Article 79

(VAT identification number)

(1) The tax authority shall ensure that the following persons are identified by means of an individual VAT identification number:

a) every taxable person, with the exception of those referred to in paragraph (3) of Article 5 of this Act, who within the territory of Slovenia carries out supplies of goods or services in respect of which VAT is deductible, other than supplies of goods or services in respect of which VAT is payable solely by the customer or the person from whom the goods or services are intended in accordance with point 2 to 4 of paragraph (1) of Article 76;

b) every taxable person, or non-taxable legal person, who makes intra-Community acquisitions of goods subject to VAT pursuant to point (2) of paragraph (1) of Article 3 of this Act and every taxable person, or non-taxable legal person, who exercises the option under
paragraph (3) of Article 4 of this Act of making their intra-Community acquisitions subject to VAT;

c) every taxable person who, within the territory of Slovenia, makes intra-Community acquisitions of goods for the purpose of transactions which relate to the activities referred to in paragraph (2) of Article 5 of this Act and which are carried out outside the territory of Slovenia;

d) each taxable person to whom services are supplied in Slovenia for which he is liable to pay VAT in accordance with point 3 of paragraph (1) of Article 76 of this Act;

e) every taxable person who is established in Slovenia and supplies services in the territory of another Member State, for which the person liable for payment of VAT is exclusively the recipient of services in accordance with Article 196 of Council Directive 2006/112/EC.

(2) Each individual VAT identification number shall be a tax identification number with a prefix SI.

(3) In accordance with the law governing the tax procedure, the tax authority shall publish on its website the following information on taxable persons required to verify identification for VAT purposes:

a) name, residence and tax identification number;

b) name of a person other than a natural person, its registered office and tax identification number;

c) VAT identification number, the date of entry or cancellation of liability for VAT.

Article 80

(Cessation of identification for VAT purposes)

(1) The tax authority shall decide on the cessation of identification for VAT purposes upon receipt of a request for cessation of identification for VAT purposes from a taxable person or a non-taxable legal person or by virtue of its office when it establishes that there are no longer reasons for identification for VAT purposes. The taxable person shall submit to the tax authority a request for the cessation of identification for VAT purposes, in electronic form.

(2) If the tax authority determines that there is reasonable suspicion that identification for VAT purposes has been abused or that a taxable person used his identification for VAT purposes in order to unduly enable other taxable persons deduction of VAT, the tax authority may decide to terminate the validity of that taxable person’s identification for VAT purposes.

(3) An appeal against the decision to terminate the validity of identification for VAT purposes shall not stay its execution.
3. Issue of invoices

Article 80a

(Invoicing rules)

(1) Invoicing shall be subject to the rules under this Act when the invoice relates to the goods which, in accordance with the provisions of Chapter IV of this Act, are deemed to have been supplied in Slovenia.

(2) In the absence of the supplier's place of establishment or fixed establishment in Slovenia or when the supplier's fixed establishment in Slovenia does not participate in the supply, but supplies the goods and services which are, in accordance with the provisions of Chapter IV of this Act, deemed to have been supplied in Slovenia to a person liable to pay VAT as recipient in accordance with Article 76 of this Act, invoicing shall, notwithstanding the preceding paragraph, be subject to the rules applicable in the Member State in which the supplier has established his/her business or has a fixed establishment from which the supply of goods and services is carried out or, in the absence of such place of establishment or fixed establishment, to the rules applicable in the Member State in which he/she has a permanent address or usually resides. The provision of paragraph (1) shall apply if in the case referred to in this paragraph the invoice is issued by the recipient (self-invoicing).

(3) If the supplier has a place of establishment or a fixed establishment from which the supply of goods and services is carried out or, in the absence of such place of establishment or fixed establishment, a permanent or habitual residence in Slovenia and supplies the goods and services which, in accordance with the provisions of Chapter IV of this Act, are considered not to have been supplied in the EU, such supplies shall subject to the invoicing rules under this Act.

Article 81

(Obligation to issue invoices)

(1) Every taxable person shall ensure that he alone, the recipient or a third party on his behalf issues an invoice for:

1. supplies of goods or services which he has made to another taxable person or to a non-taxable legal person;

2. supplies of goods as referred to in paragraphs (3) and (4) of Article 20 of this Act;

3. supplies of goods carried out in accordance with the conditions specified in Article 46 of this Act;

4. any payment on account made to him before any of the supplies of goods referred in points 1, 2 and 3 of this paragraph;

5. any payment on account made to him by another taxable person or non-taxable legal person before the provision of services is completed.
(2) Notwithstanding the first paragraph of this Article, the taxable person shall also issue an invoice for other supplies of goods and services carried out by him/her in the territory of Slovenia. The minister responsible for finance may provide for exemptions from the obligations to issue invoices for such supplies if data on the sale of goods or the services supplied can provided in a different manner and if the control over the implementation of this Act is not jeopardised.

(3) The invoice referred to in paragraph (1) of this Act may be issued by the buyer of goods or services for the goods or services supplied to him by a taxable person (self-invoicing) only provided that both parties agree on it in advance and specifically agree on the method of accepting each invoice by the taxable person by whom the goods or services are supplied. The buyer of goods or services shall indicate on the invoice that it is issued on behalf and for the account of the taxable person who supplied the goods or services to the buyer.

(4) Notwithstanding the first paragraph of this Article, the taxable person need not issue an invoice for the services referred to in point 1 and 4 of Article 44 of this Act if the services provided by him to a taxable person in another Member State are exempt from VAT in that Member State.

(5) The minister responsible for finance may provide for exemptions from the obligation to issue invoices for some services specified in point 1 and 4 of Article 44 of this Act provided that the services are supplied in the territory of Slovenia or outside the EU.

(6) A taxable person who carries out several separate supplies of goods or services in the territory of Slovenia may issue a combined invoice if the obligation to charge VAT for the supplied goods or services indicated in the combined account occurs in the same tax period.

(7) The obligation to issue an invoice for the supply of goods to another Member State in accordance with the conditions specified in Article 46 of this Act and for the supply of services for which VAT liability rests with the recipient of services in accordance with Article 196 of Council Directive 2006/112/EC shall arise no later than on the 15th day of the month following the month in which the chargeable event occurs.

(8) For the purposes of this Act, invoices shall be all documents in paper or electronic form that meet the requirements of Articles 80a to 84a of this Act.

(9) Any document or message that amends or refers specifically and unambiguously to the initial invoice shall also be regarded as an invoice.

Article 82

(Compulsory content of invoices)

An invoice issued by a taxable person in accordance with Article 81 of this Act shall include the following details:

1. the invoice date;
2. a sequential number which uniquely identifies the invoice;
3. the VAT identification number under which the taxable person supplied the goods or services;
4. the customer's VAT identification number under which the customer received a supply of goods or services in respect of which he is liable for payment of VAT, or received a supply of goods as referred to in Article 46 of this Act;

5. the full name and address of the taxable person or of the customer;

6. the quantity and nature of the goods supplied or the extent and nature of the services rendered;

7. the date on which the supply of goods or services was made or completed or the date on which the payment on account referred to in points 4 and 5 of paragraph (1) of Article 81 of this Act was made, in so far as that date can be determined and differs from the date of issue of the invoice;

8. the taxable amount per rate of exemption, the unit price exclusive of VAT, and any discounts and rebates if they are not included in the unit price;

9. the VAT rate applied;

10. the VAT amount payable, except where a specific arrangement is applied under which, in accordance with this Act, such a detail is excluded;

11. the 'self-invoicing' indication if the invoice is issued by buyer of goods or services or on behalf and on the account for the taxable person;

12. in the case of VAT exemption, a reference to the valid provision of Council Directive 2006/112/EC or the appropriate article of this Act or other reference pointing to the fact that the supply of goods or services is exempt from VAT;

13. if the VAT payer is the buyer of goods or services, the ‘reverse charge indication;

14. in the case of supply of a new means of transport made in accordance with the conditions specified in points 1 and 2 of Article 46 of this Act, the characteristics identified in paragraph (3) of Article 3 of this Act;

15. where the margin scheme for travel agents is applied, the indication 'special margin scheme – travel agents;

16. when one of the special arrangement applicable to second-hand goods, works of art, collectors' items and antiques is applied, the indication 'special margin scheme – works of art' or 'special margin scheme – collectors' items and antiques

17. where the person liable for payment of VAT is a tax representative for the purposes of paragraph (2) of Article 76 of this Act, the VAT identification number of the tax representative, together with his full name and address.

(2) a taxable person who has no place of establishment in another Member State in which VAT is chargeable or whose establishment in that Member State does not participate in the supply in terms of Article 192a of Council Directive 2006/112//EC, but supplies goods and services to a recipient who is liable to pay VAT, shall indicate only the base on the invoice instead of the data specified in points 8, 9 and 10 of paragraph (1) of this Article.
Article 83

(Simplified invoices)

(1) A taxable person shall issue a simplified invoice for the goods or services supplied in the territory of Slovenia in the following cases:

1. if the invoice is issued in accordance with point 1, 4 or 5 of paragraph (1) of Article 81 of this Act and the invoice amount excluding VAT does not exceed EUR 100 or
2. if the invoice is issued in accordance with the first sentence of paragraph (2) of Article 81 of this Act or
3. if the taxable person issues a document or notice referred to in Article 81 of this Act.

(2) The taxable person shall include in the simplified invoice at least the following data:

1. the invoice date;
2. the sequential number which uniquely identifies the invoice;
3. the name and address of the taxable person and identification number for VAT purposes under which the supply of goods or services was carried out;
4. the quantity and nature of the goods supplied or the extent and nature of the services rendered;
5. the amount of VAT to be paid or the information required for its calculation;
6. a clear and unambiguous indication of the original invoice and the concrete details that are modified if the invoice is the document referred to in Article 81 of this Act.

(3) A taxable person who issues a simplified invoice referred to in paragraph (1) of this Article to another taxable person and needs such an invoice in order to claim VAT deduction shall also indicate the name and address of the buyer or client in the invoice.

(4) A taxable person shall not issue a simplified invoice for the goods or services supplied out to another Member State in which VAT is chargeable or if such taxable person's place of establishment in that Member State does not participate in the supply in terms of Article 192a of Council Directive 2006/112/EC and the person liable to pay VAT is the person to whom the goods or services are supplied.

(5) A taxable person who supplies goods and services in accordance with Article 76a of this Act shall indicate in the invoice that the reverse charge applies.

(6) If a taxable person supplies goods or services at different tax rates, the amount of VAT in a simplified invoice shall be shown by tax rate separately.

(7) When a taxable person makes a supply goods or services which is exempt from VAT, he/she shall make reference in his/her invoice to the valid provision of the Sixth Council Directive 2006/112/EEC or to the corresponding Article of this Act or any other reference indicating that the supply of goods or services is exempt from VAT.

(8) Notwithstanding the paragraph (1) of this Article, a consignee of goods or services, who is a non-taxable person, may request that the taxable person issue an invoice to him in
accordance with Article 82 of this Act, if the consignee of goods or services requires such invoice in order to claim benefits in accordance with this Act (e.g. under Article 54 and of this Act).

Article 84

(Paper and electronic invoices)

(1) Invoices may be issued in paper or electronic form.

(2) For the purposes of this Act, an electronic invoice shall include data required under this Act and shall be issued and received in any electronic form.

(3) The recipient of the invoice shall agree with the use of an electronic invoice.

(4) The authenticity of the origin, the integrity of the content and the legibility of an invoice, whether on paper or in electronic form, shall be ensured from the point in time of issue until the end of the period for storage of the invoice. Each taxable person shall determine the way to ensure the authenticity of the origin, the integrity of the content and the legibility of the invoice. This may be achieved by any business controls which create a reliable audit trail between an invoice and a supply of goods or services. The authenticity of the origin and the integrity of the content of an invoice may also be guaranteed by using advanced digital signature or electronic data interchange (EDI).

(5) The authenticity of the origin of an invoice shall guarantee the identity of the supplier or issuer of the invoice.

(6) The integrity of the content shall guarantee that the content of the invoice, as required by this Act, has not been altered after the invoice date.

(7) Where batches containing several invoices are sent or made available to the same recipient by electronic means, the details common to the individual invoices may be mentioned only once if, for each invoice, all the information is accessible.

Article 84a

(Invoice currency)

The amounts which appear on the invoice may be expressed in any currency, provided that the amount of VAT payable is expressed in euros.

4. Accounting

Article 85

(General obligations)

(1) Every taxable person shall keep accounts in sufficient detail to enable a proper and timely charge of VAT and supervision by the tax authority during VAT calculation and payment.

(2) Every taxable person shall keep a register of the goods dispatched or transported, by that person or on his behalf, to a destination outside the territory of Slovenia to another Member
State for the purposes of transactions from points f), g) and h) of paragraph (2) of Article 9 of this Act.

(3) Every taxable person shall keep accounts in sufficient detail to enable the identification of goods dispatched to him from another Member State, by or on behalf of a taxable person identified for VAT purposes in that other Member State, and used for services consisting in valuations of those goods or work on those goods.

Article 86

(Specific obligations relating to the storage of all invoices)

(1) Every taxable person shall ensure that copies of the invoices issued by himself, or by his customer or, in his name and on his behalf, by a third party, and all the invoices which he has received, are stored.

(2) Where a taxable person established in the territory of Slovenia decides to store the copies of the invoices issued by himself or the copies of the invoices which he has received outside the territory of Slovenia, he may do so subject to prior notification to the tax authority.

(3) In order to satisfy the conditions specified in paragraph (4) of Article 84 of this Act, a taxable person shall store the invoices in their original paper or electronic form in which they are sent or made available. A taxable person may also store the invoices on a microfiche, other medium or in electronic form if such storage methods prevent alteration or deletion of data or enable the invoices to be reproduced in their original form. In accordance with Article 84 of this Act, where invoices are stored by electronic means, the data guaranteeing the authenticity of the origin and the integrity of their content shall also be stored by electronic means.

(4) If a taxable person stores the invoices issued or received by electronic means that provide online access to the aforementioned data, the tax authority shall have the right to access, transfer and use such invoices for control purposes, i.e. the right to access, transfer and use such invoices shall also be granted to the competent authority of another Member State when VAT is to be paid in such other Member State.

(5) A taxable person shall ensure the storage of invoices relating to the supply of goods or services in the territory of Slovenia and invoices received from taxable persons established in the territory of Slovenia for at least 10 years after the expiration of the year to which the invoices relate.

(6) Without prejudice to paragraph (5) of this Article, a taxable person shall ensure the storage of invoices relating to immovable property for 20 years after the expiration of the year to which they relate.

(7) The provisions of this Article shall also apply to the invoices received by the taxable person from the persons referred to in paragraph (1) and (2) of Article 94 of this Act.
5. VAT returns

Article 87

(Details of VAT returns)

(1) Every taxable person shall submit to the tax authority a VAT return setting out all the information needed to calculate the tax that has become chargeable and the deduction to be made including, in so far as is necessary for the establishment of the basis of assessment, the total value of the transactions relating to such tax and deductions and the value of any exempt transactions.

(2) In addition to the information referred to in paragraph (1) of this Article, the VAT return covering a given tax period shall show the following:

a) the total value, exclusive of VAT, of the supplies of goods referred to in Article 46 of this Act in respect of which VAT has become chargeable during this tax period;

b) the total value, exclusive of VAT, of the supplies of goods referred to in paragraphs (3), (4) and (10) of Article 20 of this Act carried out within the territory of another Member State, in respect of which VAT has become chargeable during this tax period, where the place where the goods are dispatched or transported from Slovenia;

c) the total value, exclusive of VAT, of the intra-Community acquisitions of goods, or transactions treated as such, pursuant to Articles 12 and 13 of this Act, made in Slovenia and in respect of which VAT has become chargeable during this tax period;

d) the total value, exclusive of VAT, of the supplies of goods referred to in paragraphs (3), (4) and (10) of Article 20 of this Act carried out in Slovenia, in respect of which VAT has become chargeable during this tax period, where the place where the goods are dispatched or transported from another Member State;

e) the total value, exclusive of VAT, of the supply of goods carried out in Slovenia and in respect of which the taxable person has been designated, in accordance with point 4 of paragraph (1) of Article 76 of this Act, as liable for payment of VAT and in respect of which VAT has become chargeable during this tax period;

f) the total value, exclusive of VAT, of the supplies of services referred to in paragraph (1) of Article 25 of this Act in respect of which VAT has become chargeable during this tax period;

Article 88

(Submission of VAT return)

(1) Unless otherwise provided by this Act, a taxable person shall submit a tax return to the tax authority by the last business day of the month following the expiration of the tax period.
(2) A taxable person shall submit a VAT return regardless of whether he is liable for payment of VAT in the tax period for which the return is submitted.

(3) A taxable person who carries out intra-Community transactions and is liable to submit a recapitulative statement referred to in Article 90 of this Act shall submit a VAT return by the twentieth day of the month following the expiration of the tax period.

(4) A VAT return shall be also submitted within the time limit referred to in paragraph (1) of this Article by the following persons:

a) a person who, pursuant to points 2. to 4. of paragraph (1) and paragraphs (2) and (3) of Article 76 of this Act, is liable for payment of VAT instead of a taxable person not established in Slovenia;

b) a non-taxable legal person liable for payment of VAT for intra-Community acquisition of goods referred to in point 2.a) of paragraph (1) of Article 3 of this Act;

c) a person who is identified for VAT purposes and makes an intra-Community acquisition of a new means of transport as referred to in point 2.b) of paragraph (1) of Article 3 of this Act;

d) a person making the intra-Community acquisition of products subject to excise duty referred to in point 2.c) of paragraph (1) of Article 3 of this Act.

(5) In case of termination of the validity for VAT purposes, the taxable person shall submit a VAT return by the last business day of the month following the termination of the validity of identification for VAT purposes.

(6) A taxable person whose status of entrepreneur or private undertaking expires on the date of commencement of personal bankruptcy proceedings shall submit a VAT return in the manner and within the time limit referred to in the second sentence of paragraph (7) of this Article.

(7) A taxable person for whom compulsory settlement or winding-up proceedings are initiated shall submit a VAT return to the tax authority within 20 days of the expiration of the tax period. A taxable person against whom bankruptcy proceedings are initiated shall submit a VAT return to the tax authority within no later than 60 days of the expiration of the tax period.

(8) Upon completion of the winding-up or bankruptcy proceedings, the taxable person shall submit a VAT return on the date of expiration of the tax period.

(9) In case of death of a taxable person, the taxable person’s legal representative, legal successor or trustee of the taxable person’s assets, who has been appointed in accordance with the act governing the tax procedure, shall submit a VAT return to the tax authority within 60 days of the taxable person’s death.

(10) A taxable person filing a VAT return for the first time shall attach a list of the incoming and outgoing invoices that served as a basis for preparing the VAT return:

(11) Taxable persons shall submit a VAT return also in electronic form.
Article 88a

(Time limit for submitting VAT return pursuant to the tax authority's decision)

(1) A taxable person shall submit a VAT return for the tax period and within the time limit laid down by a decision of the tax authority when the inspection determines that there are reasonable grounds to believe that VAT charged on a particular supply will not be paid. This time limit shall not be less than two days from the date of service of the tax authority’s decision on the taxable person.

(2) An appeal against a decision from the preceding paragraph shall not stay its execution.

(3) A taxable person for whom the tax authority determines a tax period which is shorter than provided for by Article 89 of this Act shall submit a tax return for the remaining part of the tax period within the time limit referred to in paragraph (1) of Article 88 of this Act.

Article 88b

(Adjustments of errors on a VAT return)

(1) A taxable person may include adjusted errors from previous tax periods in his current VAT return, no later than the date of filling the tax assessment decision with the tax authority, in the tax return inspection procedure or the date of commencement of the tax inspection or the date of initiation of offence or criminal proceedings.

(2) In case when the taxable person adjusts errors from previous tax periods on his current VAT return, due to the low amount of VAT charged or excess VAT deduction, he shall calculate and pay interest on the VAT amount subject to adjustment at the European interbank interest rate valid on the day of expiry of the due VAT payment for the maturity of up to one year, increased by:

- 1 percentage point if the taxable person submits the information within one month after the expiry of the deadline for VAT return submission;

- 2 percentage points if the taxable person submits the information within six months after the expiry of the deadline for VAT return submission;

- 3 percentage points if the taxable person submits the information within one year after the expiry of the deadline for VAT return submission;

- 4 percentage points if the taxable person submits the information more than one year after the expiry of the deadline for VAT return submission.

(3) The taxable person shall calculate the interest referred to in the preceding paragraph for the period from the first day following the last working day of the month after the expiry of the tax period that should include the adjusted VAT amount, to the expiry of the deadline for VAT payment based on the VAT return including the correct VAT amount in the event of increased tax liability, or to the day of submission of the VAT return including the correct VAT amount in the event of reducing the surplus VAT.
(4) The taxable person who has already submitted a VAT return may replace the previously submitted VAT return with a new VAT return until the expiry of the deadline for the submission of the VAT return, unless he has requested a VAT refund under the submitted VAT return. If the already submitted VAT return also includes adjustments for the previous periods, the second and third paragraph of this Article shall apply.

Article 88c

(Subsequent submission of VAT return)

(1) A taxable person who has not submitted his VAT return within the prescribed period may submit the return subsequently, but no later than the date of filing of the tax assessment decision with the tax authority in the tax return inspection procedure, or the date of commencement of the tax inspection, or the date of initiation of offence or criminal proceedings.

(2) In case when taxable person submits his VAT return subsequently, he shall pay the declared tax liability at the time of submitting the VAT return, and calculate and pay from the liability amount interest at the European interbank interest rate valid on the day of expiry of the due VAT payment for the maturity of up to one year, increased by:

- 1 percentage point if the taxable person submits the information within one month after the expiry of the deadline for VAT return submission;

- 2 percentage points if the taxable person submits the information within six months after the expiry of the deadline for VAT return submission;

- 3 percentage points if the taxable person submits the information within one year after the expiry of the deadline for VAT return submission;

- 4 percentage points if the taxable person submits the information within more than one year after the expiry of the deadline for VAT return submission.

(3) The taxable person shall calculate the interest referred to in the preceding paragraph for the period from the first day following the last working day of the month following the expiry of the tax period, which should include submitted VAT return, to the day of the VAT return submission.

(4) The taxable person may not replace the VAT return submitted according to this Article with a new VAT return.

Article 89

(Tax Period)

(1) Unless otherwise specified by this Act, the tax period shall coincide with the calendar month.

(2) For a taxable person whose value of supply of taxable goods or services within the previous year was up to including 210,000 euros, the tax period shall coincide with the
calendar quarter unless the taxable person engages in intra-Community transactions and is liable to submit a recapitulative statement referred to in Article 90 of this Act.

(3) For a taxable person who obtains a VAT identification number, the tax period shall, notwithstanding the anticipated turnover, for the first 12 months coincide with a calendar month.

(4) The tax period for a taxable person not established in Slovenia and for the persons referred to in paragraph (4) of Article 88 of this Act shall coincide with a calendar month.

(5) For a taxable person for whom compulsory settlement, winding-up or bankruptcy proceedings are initiated, the tax period shall end on the day prior to the commencement of compulsory settlement, winding-up or bankruptcy proceedings.

(6) On the completion of winding-up proceedings, the tax period shall end on the day prior to the adoption of the decision on distribution of assets or on the day prior to the adoption of the decision to terminate the compulsory winding-up proceedings.

(7) On the completion of bankruptcy proceedings, the tax period shall end on the day prior to the adoption of the decision to terminate bankruptcy proceedings.

(8) In case of death of a taxable person, the tax period shall end on the date of the taxable person's death. If the activity is carried on after the taxable person's death, the tax period shall end on the date of termination of this taxable person's activity.

(9) The value of the supply of goods or services pursuant to paragraph (2) of this Article shall be the value of supplies indicated in VAT returns for the previous calendar year.

6. Recapitulative statement

Article 90

(Obligation to submit a recapitulative statement)

(1) Every taxable person identified for VAT purposes shall submit to the tax authority a recapitulative statement of the following:

a) the acquirers of goods identified for VAT purposes to which the taxable person supplied goods under the terms and conditions referred to in points 1 and 4 of Article 46 of this Act;

b) the persons identified for VAT purposes to whom the taxable person supplied the goods which had been supplied to him for the purposes of intra-Community acquisition of goods pursuant to paragraph (4) of Article 23 of this Act;

c) taxable persons and the non-taxable legal persons identified for VAT purposes, to whom he has supplied services, other than services that are exempted from VAT in the Member State where the transaction is taxable, and for which the recipient is liable to pay the VAT pursuant to Article 196 of Council Directive 2006/112/EC.

(2) The recapitulative statement shall set out the following information:
a) VAT identification number under which he supplied the goods subject to the conditions of point 1 of Article 46 of this Act and under which he supplied taxable services pursuant to paragraph (1) of Article 25 of this Act;

b) VAT identification number of the person acquiring the goods or receiving services in another Member State, under which the goods or services were supplied to such person;

c) the VAT identification number under which the person has carried out the transfer of goods referred to in point 4. of Article 46 of this Act to another Member State and the number by means of which he is identified in another Member State in which the dispatch or transport of goods ended;

d) for each person who acquires goods or receives services, the total value of the supplies of goods and services carried out by the taxable person;

e) in respect of supplies of goods consisting in transfers to another Member State, as referred to in point 4. of Article 46 of this Act, the total value of the supplies, determined in accordance with paragraph (4) of Article 36 of this Act;

f) the amounts of adjustments made pursuant to paragraphs (2) and (3) of Article 39 of this Act.

(3) The value referred to in point d) of the preceding paragraph shall be notified for the calendar month in which the liability to charge VAT was incurred, and the value referred to in point f) of the preceding paragraph shall be notified for the calendar month in which the notification of adjustment is made to the acquirer.

Article 91

(Specific information to be included in recapitulative statement)

(1) In the case of intra-Community acquisition of goods, as referred to in paragraph (4) of Article 23 of this Act, the taxable person shall set out clearly the following information on the recapitulative statement:

a) the VAT identification number in Slovenia and under which he made the acquisition and subsequent supply of goods;

b) the VAT identification number under which he made the supply in another Member State;

c) for each person to whom the subsequent supply was made, the total value, exclusive of VAT, of the supplies made by the taxable person in another Member State.

(2) The value referred to in point c) of paragraph (1) of this Article shall be declared for the calendar month during which VAT became chargeable.
Article 92

(Reporting period and submission of recapitulative statement)

(1) The recapitulative statement shall be made for one calendar month. The taxable person shall submit the recapitulative statement for the calendar month during which a transaction has been carried out within the Union or for the calendar month in which he must make an adjustment for the past reporting periods.

(2) A taxable person shall submit the recapitulative statement referred to in the preceding paragraph to the tax authority by the twentieth day of the month following the expiry of the tax period.

(3) The taxable person shall submit the recapitulative statement in electronic form or send it through electronic file transfer.

Article 92a

(Reporting period, submission and contents of the report on the supply of goods and services according to Article 76a of this Act)

(1) A taxable person who supplies goods or services of which the recipient is the person liable for payment of VAT pursuant to Article 76a of this Act shall draw up a report on these supplies of goods or services for calendar month.

(2) The taxable person referred to in the preceding paragraph shall submit to the tax authority a report on the supplies by the last business day of the month following the end of the calendar month. The taxable person shall submit the report for the calendar month in which he carried out the supply or for the calendar month for which he must adjust the information on the concerned instances of supply from the past periods.

(3) The report referred to in paragraph (1) of this Article shall contain the following information:

   a) VAT identification number under which the taxable person supplied the goods or services for which the recipients is the person liable for payment of VAT in accordance with Article 76a of this Act;

   b) identification number of the recipient of these supplies;

   c) for each recipient of such supplies, the total value of the supplies excluding VAT.

(4) A taxable person shall submit report referred to in paragraph (1) of this Article in electronic form.
7. Obligations relating to certain importations and exportations

Article 93

(Application of this Act for goods imported from or exported to third territories)

(1) The goods referred to in point 2. of Article 18 of this Act, which are imported into Slovenia from a third territory forming part of the customs territory of the Union, but which, in accordance with Article 1 of this Act, is not subject to the general rules for taxation of intra-Community supplies and acquisitions of goods, shall be treated in Slovenia in accordance with paragraphs (2) to (4) of this Article.

(2) The formalities relating to the entry of goods from the first paragraph of this Article into the Union shall be defined by the Union customs provisions in force for the importation of goods into the customs territory of the Union.

(3) If the place of destination of the dispatch or transport of goods from paragraph (1) of this Article is situated in a Member State other than the Member State in which the goods enter the Union, the goods shall circulate within the Union in accordance with the provisions of the Union customs regulations in force for the internal transit procedure, but only if a transit declaration is submitted in accordance with these regulations when goods enter the Union.

(4) If a procedure is initiated for the goods from paragraph (1) of this Article at the time of entry into the Union, as a result of which the taxable person, if goods were imported within the meaning of point 1 of Article 18 of this Act, could exercise an exemption to these goods under paragraph (1) of Article 57 of this Act, the exemption from paragraph (1) of Article 57 of this Act shall also apply to the goods from paragraph (1) of this Article.

(5) The goods, except for the goods from point (1) of Article 18 of this Act, which are exported from Slovenia to a third territory forming part of the customs territory of the Union, but which in accordance with Article 1 of this Act are not subject to the general rules for taxation of intra-Community supplies and acquisitions of goods, shall be treated in Slovenia in accordance with paragraphs (6) and (7) of this Article.

(6) The formalities relating to the export of goods from paragraph (5) of this Article to a third territory shall be laid down by the Union customs regulations in force for the export of goods outside the customs territory of the Union.

(7) If the goods were temporarily exported to a third territory in order to be re-imported into Slovenia, the goods from paragraph (5) of this Article shall be subject to the provisions governing taxation or exemption from VAT for re-imported goods which were initially temporarily exported from the customs territory of the Union.
XI. SPECIAL SCHEMES

1. Special scheme for small taxable persons

Article 94

(Exemption from charging VAT)

(1) A taxable person shall be exempt from charging VAT provided that in the last twelve-month period his taxable turnover has not exceeded or is unlikely to exceed 50,000 euros.

(2) Exemption from charging VAT shall also apply to the supply of goods and services within the basic agricultural and the basic forestry activity as defined by income tax legislation where the income for such activity is not established on the basis of actual revenues and expenses or actual revenues and normalised expenses and where the cadastral income of all members of an agricultural household in the past calendar year does not exceed 7,500 euros. For the purposes of this Act, a taxable person for the basic agricultural and the basic forestry activity shall be deemed to be one of the members of an agricultural household, payers of income tax for the basic agricultural and the basic forestry activity designated by members of an agricultural household, payers of income tax for such activity, as their representative.

(3) A taxable person may, without prejudice to the provisions of the first and second paragraph of this Article, opt for charging VAT in accordance with this Act. The taxable person shall notify the competent tax authority of his option, in electronic form, in advance, and shall apply it for at least 60 months.

(4) A taxable person who exercises an exception from charging VAT in accordance with this Article, shall not be entitled to VAT deduction pursuant to Article 63 of this Act, nor shall he indicate it in outgoing invoices.

(5) If affiliated persons perform a supply of goods of the same type or a supply of services of the same nature, for the purposes of this article the amount of taxable turnover which each affiliated person achieves by himself shall be considered to be the total value of the supply by the affiliated persons within a period of twelve months. Affiliated persons shall be regarded to be the persons defined as such in regulations on the taxation of income of legal and natural persons.

(6) The arrangements provided for under the special scheme according to this Article shall not apply to the following transactions:

a) supplies of new means of transport carried out in accordance with the conditions specified in point (2) of Article 46 of this Act;

b) supplies of goods and services carried out in Slovenia by a taxable person who is not established in Slovenia.

(7) The taxable turnover referred to in paragraph (1) of this Article shall include the following, exclusive of VAT:

– the value of supplies of goods and services in so far as they are taxed,
– the value of transactions which are exempt pursuant to Articles 52, 53, 54 and 55 of this Act;

– the value of real estate transactions, financial transactions as referred to in point 4 of Article 44 of this Act, and insurance services, unless those transactions are ancillary transactions.

(8) Disposals of the tangible or intangible assets shall not be taken into account for the purposes of calculating turnover.

(9) For a natural person, the taxable turnover referred to in the first paragraph of this Article, shall be considered to be taxable turnover earned by the natural person with his economic activity conducted independently (as sole proprietor, individual business person or natural person).

2. Special arrangement for farmers

Article 95

(Flat rate compensation)

(1) The taxable person referred to in paragraph (2) of Article 94 of this Act shall be entitled to a flat-rate compensation for VAT (hereinafter: flat-rate compensation) for the supply of agricultural and forest products as well as agricultural and forest services, which are the result of the basic agricultural and forestry activity, under the conditions and according to the method laid down in this Article.

(2) Only those taxable persons who perform the supply of goods and services under paragraph (1) of this Article to taxable persons liable to charge and pay VAT in accordance with this Act shall be entitled to flat-rate compensation.

(3) Taxable persons – acquirers of goods or services referred to in paragraph (1) of this Article shall add the amount of the flat-rate compensation of 8% of the buying-in price to the amount of payment for the effected supply.

(4) Taxable persons referred to in paragraph (3) of this Article shall be entitled to deduct the flat-rate compensation as VAT under the conditions laid down by this Act.

(5) Taxable persons shall be entitled to flat-rate compensation subject to a previous authorisation by the tax authority. Holders of this authorisation shall, for the duration of the authorisation, draw up flat-rate compensation return and submit it in electronic form to the tax authority by 31 January of the current year for the preceding calendar year.

(6) Detailed provisions concerning the conditions and the method of implementation of this Article shall be laid down by the minister responsible for finance.
Article 96

(Recognition of flat-rate compensations in transactions with other Member States)

(1) Without prejudice to paragraph (1) of Article 95 of this Act, a taxable person referred to in paragraph (2) of Article 94 of this Act, who meets the conditions laid down by paragraph (5) of Article 95 of this Act, shall also be entitled to a flat-rate compensation for the supply of goods and services referred to in paragraph (1) of Article 95 carried out to taxable persons identified for VAT purposes in another Member State.

(2) Taxable persons – acquirers of goods or services referred to in paragraph (1) of this Article shall add the amount of the flat-rate compensation of 8% of the buying-in price to the amount of payment for the effected supply.

(3) Taxable persons referred to in the preceding paragraph shall be entitled to a refund of flat-rate compensation paid to a holder of authorisation to exercise the right to flat-rate compensation; the right to a refund of flat-rate compensation shall be governed, mutatis mutandis, by the provisions of Article 74 to 74g of this Act.

(4) The Minister, responsible for finance shall lay down the details for the implementation of this Article.

3. Special scheme for travel agents

Article 97

(Services provided by travel agencies and tour operators)

(1) Where travel agents deal with customers in their name and use the supplies of goods and services provided by other taxable persons in the provision of travel facilities, they shall charge and pay VAT in accordance with the provisions of this subchapter.

(2) The provisions of this Article shall not apply to travel agents where they act solely as intermediaries (in the name and on behalf of travellers) and to whom point c) of paragraph (6) of Article 36 of this Act applies for the purposes of calculation the taxable amount.

(3) For the purposes of this Subchapter, tour operators shall be regarded as travel agents.

(4) Transactions made, in accordance with the conditions laid down in this Article, by the travel agent in respect of a journey shall be regarded as a single service supplied by the travel agent to the traveller.

(5) The single service provided by the travel agent shall be taxable in the Member State in which the travel agent has established his business or has a place of establishment from which the travel agent has carried out the supply of services.
Article 98

(Taxable amount)

The taxable amount and the price exclusive of VAT in respect of the single service provided by the travel agent shall be the difference between the total amount, exclusive of VAT, to be paid by the traveller and the actual cost to the travel agent of supplies of goods or services provided by other taxable persons, where those transactions are for the direct benefit of the traveller.

Article 99

(Exempt transactions)

(1) If transactions entrusted by the travel agent to other taxable persons are performed by such persons outside the Union, the supply of services carried out by the travel agent shall be treated as an intermediary activity exempted pursuant to Article 55 of this Act.

(2) If the transactions from paragraph (1) of this Article are performed both inside and outside the Union, only that part of the travel agent's service relating to transactions outside the Union may be exempted.

Article 100

(Deduction and refund of VAT)

VAT charged to the travel agent by other taxable persons in respect of transactions which are for the direct benefit of the traveller shall not be deductible or refundable in any Member State.

4. Special arrangements for second-hand goods, works of art, collectors' items and antiques

Article 101

(Definitions)

(1) For the purposes of this Subchapter, the following definitions shall apply:

1. "second-hand goods" shall mean movable property that is suitable for further use as it is or after repair, other than works of art, collectors' items or antiques and precious metals or precious stones;

2. "works of art" means the objects listed in Part A of Annex III to this Act, which is a constituent part thereof;

3. "collectors' items" means the objects listed in Part B of Annex III to this Act;

4. "antiques" means the objects listed in Part C of Annex III to this Act;
5. "precious metals" means platinum, gold, palladium and silver, and alloys of one precious metal with another precious metal;

6. "precious stones" means diamonds, rubies, sapphires and emeralds, either worked or unworked, provided they are not mounted or strung;

7. "taxable dealer" means any taxable person who, in the course of his economic activity and with a view to resale, purchases or imports second-hand goods, works of art, collectors' items or antiques, whether that taxable person is acting for himself or on behalf of another person pursuant to a contract under which commission is payable on purchase or sale;

8. "organiser of a sale by public auction" means any taxable person who, in the course of his economic activity, offers goods for sale by public auction with a view to handing them over to the highest bidder;

9. "principal of a sale by public auction" means any person who transmits goods to an organiser of sale by public auction pursuant to a contract under which commission is payable on a sale.

(2) The contract under which commission is payable on a sale referred to in point 9. of paragraph (1) of this Article shall provide that the organiser of the sale is to put up the goods for public auction in his own name but on behalf of his principal and that he is to hand over the goods, in his own name but on behalf of his principal, to the highest bidder at the public auction.

4.a) Special arrangements for taxable dealers

Article 102

(General)

(1) In respect of the supply of second-hand goods, works of art, collectors' items and antiques carried out by taxable dealers, a special scheme shall be applied to taxing the profit margin made by the taxable dealer in accordance with the provisions of this scheme.

(2) The arrangement referred to in paragraph (1) of this Article shall not apply to the supply of new means of transport carried out in accordance with the conditions specified in points 1. and 2. of Article 46 of this Act.

Article 103

(Conditions of application of the scheme)

The special arrangement shall apply to the supply by a taxable dealer of the goods from paragraph (1) of Article 102 of this Act where the intra-Community supply of goods was carried out by one of the following persons:

a) a non-taxable person;
b) another taxable person, in so far as the supply of goods is exempt pursuant to point 3. of Article 44 of this Act;

c) another taxable person, in so far as the supply of goods by that other taxable person is covered by the exemption for small enterprises provided for by a special arrangement and involves capital goods;

d) another taxable dealer, in so far as VAT has been applied to the supply of goods by that other taxable dealer under a special arrangement.

Article 104

(Taxable amount)

(1) The taxable amount in respect of the supply of goods as referred to in Article 102 of this Act shall be the profit margin made by the taxable dealer, less the amount of VAT relating to the profit margin.

(2) The profit margin shall be equal to the difference between the selling price charged by the dealer for the goods and the purchase price.

(3) "Selling price" shall mean everything that constitutes the consideration obtained or to be obtained by the taxable dealer from the customer or from a third party, including subsidies directly linked to the transaction, taxes and other charges and incidental expenses such as commission, packaging, transport and insurance costs charged by the taxable dealer to the customer, including VAT, but excluding the amounts referred to in paragraph (6) of Article 36 of this Act.

(4) "Purchase price" shall mean everything that constitutes the consideration, for the purposes of paragraph (2) of this Article, obtained or to be obtained from the taxable dealer by his supplier.

(5) If the purchase price is greater than the selling price for the goods concerned the taxable amount shall be deemed to be zero.

Article 105

(Special scheme option)

(1) Without prejudice to Article 103 of this Act, the taxable dealer may opt for application of the margin scheme also to the following transactions:

a) the supply of works of art, collectors' items or antiques, which the taxable dealer has imported himself;

b) the supply of works of art supplied to the taxable dealer by their creators or their successors in title;
c) the supply of works of art supplied to the taxable person by a taxable person other than a taxable dealer where the reduced rate has been applied to that supply pursuant to paragraph (2) of Article 41 of this Act.

(2) A taxable dealer may submit to the tax authority at any time a statement that, in the cases specified in this Article, he shall apply VAT according to a special arrangement. He shall begin to charge VAT under a special arrangement on the first day of the month following the submission of the statement. The charging of VAT according to this Article shall cover a period of at least two calendar years. The taxable person shall submit the statement to the tax authority, in electronic form.

(3) The taxable dealer shall charge VAT under this Article for the taxable amount determined in accordance with Article 104 of this Act. In respect of the supply of works of art, collectors' items or antiques which the taxable person has imported himself, the purchase price to be taken into account in calculating the profit margin shall be equal to the taxable amount on importation, determined in accordance with Article 38 of this Act, plus the VAT due or paid on importation.

Article 106

(Application of the normal VAT arrangement)

(1) The taxable dealer may apply the normal VAT arrangements to any supply covered by the special margin scheme.

(2) Where the taxable dealer applies the normal VAT arrangements to the supply of a work of art, a collectors' item or an antique which he has imported himself, he shall be entitled to deduct from the VAT for which he is liable the VAT due or paid on the import.

(3) Where the taxable dealer applies the normal VAT arrangements to the supply of a work of art supplied to him by its creator, or the creator's successors in title, or by any taxable person other than a taxable dealer, he shall be entitled to deduct from the VAT for which he is liable the VAT due in respect of the work of art supplied to him.

(4) A right of deduction shall arise at the time when the VAT due on the supply in respect of which the taxable dealer opts for application of the normal VAT arrangements becomes chargeable.

Article 107

(Exemptions)

If carried out in accordance with the conditions specified in Articles 52, 53, 54 or 75 of this Act, the supply of second-hand goods, works of art, collectors' items or antiques subject to the special scheme shall be exempt from VAT.
Article 108

(Deduction of input VAT)

(1) In so far as goods used for the purpose of supplies carried out by him and subject to the special scheme, the taxable dealer may not deduct the following from the VAT for which he is liable:

a) the VAT due or paid in respect of works of art, collectors' items or antiques which he has imported himself;

b) the VAT due or paid in respect of works of art which have been or are to be, supplied to him by their creator or by the creator's successors in title;

c) the VAT due or paid in respect of works of art which have been, or are to be, supplied to him by a taxable person other than a taxable dealer.

(2) Taxable persons may not deduct from the VAT for which they are liable the VAT due or paid in respect of goods which have been, or are to be, supplied to them by a taxable dealer, in so far as the supply of those goods by the taxable dealer is subject to the special scheme.

Article 109

(Accounting)

Where the taxable dealer applies both the normal VAT arrangements and the special scheme, he shall show separately in his accounts the transactions falling under each of those arrangements.

Article 110

(Indication of VAT on invoices)

The taxable dealer may not enter separately on the invoices which he issues the VAT relating to supplies of goods to which he applies the special scheme.

4.b) Special arrangements for sales by public auction

Article 111

(General)

(1) The profit margin made by an organiser of a sale by public auction in respect of the supply of second-hand goods, works of art, collectors' items or antiques by that organiser, acting in his own name and on behalf of the persons referred to in Article 112 of this Act, pursuant to a contract under which commission is payable on the sale of the goods by public auction, shall be subject to special arrangements for taxation.
The arrangement referred to in paragraph (1) of this Article shall not apply to the supply of new means of transport carried out in accordance with the conditions specified in points 1. and 2. of Article 46 of this Act.

Article 112

(Conditions of application of the special arrangements)

These special arrangements shall apply to supplies carried out by an organiser of a sale by public auction, acting in his own name, on behalf of one of the following persons:

a) a non-taxable person;

b) another taxable person, in so far as the supply of goods, carried out by that taxable person in accordance with a contract under which commission is payable on sale, is covered by the exemption provided for in point 3. of Article 44 of this Act;

c) another taxable person, in so far as the supply of goods carried out by that taxable person in accordance with a contract under which a commission is payable on a sale, is covered by the exemption for small enterprises and includes capital goods;

d) a taxable dealer, in so far as the supply of goods, carried out by that taxable dealer in accordance with a contract under which commission is payable on a sale, is subject to VAT in accordance with the margin scheme.

Article 113

(Time of supply)

The supply of goods to a taxable person who is an organiser of sales by public auction shall be regarded as taking place when the sale of those goods by public auction takes place.

Article 114

(Taxable amount)

(1) The taxable amount in respect of each supply of goods under this arrangement shall be the total amount invoiced in accordance with Article 116 of this Act to the purchaser by the organiser of the sale by public auction, less the following:

a) the net amount paid or to be paid by the organiser of the sale by public auction to his principal, as determined in accordance with paragraph (2) of this Article;

b) the amount of the VAT payable by the organiser of the sale by public auction in respect of his commission.

(2) The net amount paid or to be paid by the organiser of the sale by public auction to his principal shall be equal to the difference between the auction price of the goods and the amount of the commission obtained or to be obtained by the organiser of the sale by public
auction from his principal pursuant to the contract under which commission is payable on the sale.

Article 115

(Accounting)

(1) Organisers of sales by public auction who supply goods in accordance with the conditions laid down in Articles 111 and 112 of this Act shall indicate the following in their accounts, in suspense account:

a) the amount obtained or to be obtained from the purchaser of the goods;

b) the amounts reimbursed or to be reimbursed (paid) to the recipient of the goods.

(2) The amounts referred to in paragraph (1) of this Article shall be duly substantiated.

Article 116

(Issue of invoices)

(1) The organiser of the sale by public auction shall issue to the purchaser an invoice itemising the following:

a) the auction price of the goods;

b) taxes, duties, levies and charges;

c) incidental expenses, such as commission, packing, transport and insurance costs charged by the organiser to the purchaser of the goods.

(2) The invoice referred to in paragraph (1) of this Article shall not indicate any VAT separately.

Article 117

(Obligation to issue a statement)

(1) The organiser of the sale by public auction to whom the goods have been transmitted pursuant to a contract under which commission is payable on a public auction sale shall issue a statement to his principal. The statement issued by the organiser of the sale by public auction shall specify separately the amount of the transactions, that is to say, the auction price of the goods less the amount of the commission obtained from the principal.

(2) The statement drawn up in accordance with paragraph (1) of this Article shall serve as an invoice which the principal, where he is a taxable person, must issue to the organiser of the sale by public auction in accordance with Article 81 of this Act.
5. Special scheme for investment gold

Article 118

(Definitions)

(1) For the purposes of this scheme, "investment gold" shall mean:

(a) gold in the form of a bar or a wafer of weights accepted by the bullion markets of a purity equal to or greater than 995 thousandths, whether or not represented by securities, except for small bars or wafers of a weight less than 1 g;

(b) gold coins:
   – of a purity equal to or greater than 900 thousandths,
   – minted after 1800,
   – which are or have been legal tender in the country of origin, and
   – are normally sold at a price which does not exceed the open market value of the gold contained in the coins by more than 80%.

(2) For the purposes of this scheme, such coins shall not be regarded as sold for numismatic interest.

Article 119

(Exemptions)

The following transactions shall be exempt from VAT:

– the supply, the intra-Community acquisition and the importation of investment gold, including investment gold represented by certificates for allocated or unallocated gold or traded on gold accounts and including, in particular, gold loans and swaps, involving a right of ownership or claims in respect of investment gold, as well as transactions concerning investment gold involving futures and forward contracts leading to a transfer of right of ownership or claim in respect of investment gold;

– the services of agents who act in the name and on behalf of another person, when they take part in the supply of investment gold for their principal.

Article 120

(Taxation option)

(1) By way of derogation from the provisions of Article 119 of this Act, taxable persons who produce investment gold or transform gold into investment gold shall have the right to opt for the taxation of supplies of investment gold to another taxable person.
(2) Taxable persons who, in the course of their economic activity, normally supply gold to another taxable person for industrial purposes, shall also have the right to opt for the taxation of supplies of investment gold from point a) of paragraph (1) Article 118 of this Act.

(3) Where the supplier from paragraphs (1) or (2) of this Article has exercised the right to opt for taxation, the agent for the supply of services from the second indent of Article 119 of this Act shall also be allowed to opt for taxation.

(4) The taxable person referred to in the first and second paragraph of this Article and the agent referred to in the second indent of Article 119 of this Act may exercise their right to opt for the taxation if they notify the tax authority thereof in advance. The taxable person shall submit a notification on his taxation option, in electronic form.

(5) Detailed rules for the implementation of this Article shall be laid down by the minister responsible for finance.

Article 121

(Right of deduction)

(1) Where his subsequent supply of such investment gold is exempt pursuant to this scheme, the taxable person shall be entitled to deduct VAT due or paid:

1. in respect of investment gold supplied to him by a person who has exercised the taxation option in accordance with Article 120 of this Act;

2. in respect of a supply to him, or in respect of an intra-Community acquisition, or importation carried out by him, of gold other than investment gold which is subsequently transformed by him or on his behalf into investment gold;

3. in respect of services supplied to him consisting in a change of form, weight or purity of gold including investment gold.

(2) Taxable persons who produce investment gold or transform gold into investment gold shall be entitled to deduct the VAT due or paid by them in respect of the supply or intra-Community acquisition or importation of goods or services linked to the production or transformation of such gold, as if the subsequent supply of the gold exempt under this scheme were taxed.

Article 122

(Special obligations of taxable traders in investment gold)

(1) Taxable persons shall keep accounts of transactions in investment gold and keep the documents for at least 10 years after the end of the year to which such documents refer.

(2) The records from the first paragraph of this Article shall be laid down by the minister responsible for finance.
6. Special schemes for non established taxable persons supplying telecommunications services, broadcasting services or electronic services to non-taxable persons

Article 122a
(Definitions)

Under special schemes for non-established taxable persons supplying telecommunications services, broadcasting services or electronic services to non-taxable persons referred to in Subchapter 6, the following terms shall have the following meanings:
- "telecommunications services", "broadcasting services" and "electronic services" means services referred to in paragraph 1 of Article 30c of this Act;
- "Member State of consumption" means the Member State in which the supply of the telecommunications, broadcasting or electronic services is deemed to take place in accordance with Article 30c of this Act;
- "special VAT return" means the statement containing the information necessary to establish the amount of VAT due in each Member State.

Article 122b
(The service of documents on taxable persons referred to in Subchapters 6a and 6b)

(1) Decisions, resolutions and other documents shall be served on taxable persons referred to in Articles 125 and 130b of this Act by electronic means in accordance with the law governing the general administrative procedure. The eDavki information system shall be used as a secure electronic mailbox.

(2) Decisions, resolutions and other documents shall be served on taxable persons who have indicated that they will make use of a special scheme for telecommunications, broadcasting or electronic services in an EU Member State other than Slovenia by being sent to their email address. The decision, resolution or other document shall be deemed to have been served on a taxable person on the fifteenth day from the date it was sent to the email address of the taxable person specified by the taxable person on the application form for a special scheme.

(3) An appeal against the decision may be filed within thirty days from the date on which the decision is deemed to have been served.

6.a Special scheme for telecommunications services, broadcasting services or electronic services supplied by taxable persons not established within the Union.

Article 123
(Definitions)

Under the scheme referred to in this subchapter, the following terms have the following meanings:
- "taxable person not established within the Union" means a taxable person who has not established his business within the Union and who has no fixed establishment there and who is not otherwise required to be identified for VAT purposes;
- "Member State of identification" means the Member State which the taxable person not established within the Union chooses to contact to state when his activity as a taxable person within the Union commences in accordance with the provisions of this subchapter.
Article 124

(Application of the special scheme)

(1) The special scheme referred to in this subchapter may be used for telecommunications services, broadcasting services or electronic services which a taxable person referred to in Article 125 of this Act supplies to non-taxable persons who are established or have their permanent address or usually reside in any Member State.

(2) The taxable person referred to in Article 125 of this Act shall use the scheme referred to in this subchapter for all telecommunications services, broadcasting services or electronic services he supplies within the Union.

Article 125

(Notification to the tax authority)

(1) The taxable person non-established within the Union who chooses Slovenia as a Member State of identification shall state to the tax authority when he commences or ceases his activity as a taxable person, or changes that activity in such a way that he no longer meets the conditions necessary for use of this scheme. He shall communicate that information in electronic form.

(2) In the statement from paragraph (1) of this Article, which the taxable person that is not established within the Union shall provide to the tax authority when he commences the supply of telecommunications services, broadcasting services and electronic services the following details shall be contained: name, postal address, electronic address, including websites, national tax identification number, if any, and a statement that he is not identified for VAT purposes within Union. The taxable persons that are not established within the Union shall notify to the tax authority of identification of any changes in the information provided.

(3) The tax authority shall allocate to the taxable person that is not established within the Union an individual VAT identification number and shall notify him of that number in electronic form by electronic means.

(4) The tax authority shall keep a separate record of taxable persons that are not established within the Union to whom the VAT identification number from the preceding paragraph have been allocated.

Article 126

(Striking off the special register)

The tax authority shall strike the taxable person that is not established within the Union from the special identification register in the following cases:

– if he notifies that he no longer supplies telecommunications services, broadcasting services and electronic services,

– if it may otherwise be assumed that his taxable activities have ceased,
– if he no longer meets the conditions necessary for use of this special scheme,


Article 127

(Submission of a special VAT return)

(1) The taxable person not established within the Union shall submit to the tax authority a special VAT return for each calendar quarter, whether or not telecommunications, broadcasting or electronic services have been supplied. The VAT return shall be submitted by the twentieth day of the month following the end of the tax period covered by the return. The special VAT return shall be submitted in electronic form.

(2) In the special VAT return referred to in paragraph 1 of this Article, the taxable person not established within the Union shall specify the Slovenian VAT identification number and, for each Member State of consumption in which VAT is due, the total value, exclusive of VAT, of supplies of telecommunications, broadcasting and electronic services carried out during the tax period and the total amount per rate of the corresponding VAT. On the return, the taxable person not established within the Union shall also indicate the applicable rates of VAT and the total VAT due.

(3) The taxable person that is not established within the Union shall present the amounts in its special VAT return in euro.

(4) The taxable person may submit an amended special VAT return within three years of the expiry of the time limit for the submission of the special VAT return if he subsequently finds irregularities.

Article 128

(Payment of VAT)

The taxable person not established within the Union shall pay VAT when submitting the special VAT return or on the date of expiry of the time limit for the submission of a special VAT return referred to in paragraph 1 of Article 127 of this Act at the latest. Payment of VAT shall be made to a bank account denominated in euro, designated by the tax authority.

Article 129

(VAT refund to non-established taxable persons)

(1) The taxable person not established within the Union making use of the special scheme referred to in this subchapter shall have no right to deduct VAT in accordance with paragraph
1 of Article 63 of this Act; however, notwithstanding point a) of paragraph 2 and paragraph 6 of Article 74i of this Article, he may exercise his right to a refund of the VAT paid.

(2) The taxable person not established within the Union shall submit a claim for refund in electronic form.

(3) The minister responsible for finance shall lay down detailed conditions for VAT refund in accordance with this Article and prescribed content of the VAT refund claim.

Article 130

(Keeping records)

The taxable person not established within the Union shall keep records of the transactions covered by this special scheme. Those records must be sufficiently detailed to enable the tax authority of the Member State of consumption to verify that the VAT return is correct according to the law. Those records shall be made available electronically on request to the tax authority of Slovenia and to the tax authority of the Member state of consumption. Taxable person not established within the Union shall keep those records for a period of ten years from the end of the year during which the transaction was carried out.

6.b Special scheme for telecommunications, broadcasting or electronic services supplied by taxable persons established within the Union but not in the Member State of consumption

Article 130a

(Definitions)

Under the special scheme referred to in this subchapter, "taxable person not established in the Member State of consumption" means a taxable person who has established his business in the territory of the Union or has a fixed establishment there but has not established his business and has no fixed establishment within the territory of the Member State of consumption.

Article 130b

(Application of the special scheme)

(1) The taxable person not established in the Member State of consumption may indicate that he will use the special scheme under this subchapter if he is established in Slovenia or is not established within the Union and has a fixed establishment in Slovenia and supplies telecommunications, broadcasting or electronic services to non-taxable persons who are established or have their permanent address or usually reside in the Member State of consumption.

(2) The taxable person referred to paragraph 1 of this Article shall use the special scheme referred to in this subchapter for all telecommunications services, broadcasting services or electronic services he supplies within the Union.

(3) The taxable person who has indicated that he will use the special scheme referred to in this subchapter in accordance with paragraph 1 of this Article and who is not established in Slovenia but has one or more fixed establishments in Slovenia or within the Union shall fulfil
obligations covered by the special scheme referred to in this subchapter for the current calendar year and for the two following calendar years.

Article 130c
(Notification to the tax authority)

(1) The taxable person who meets the requirements set out in Article 130b of this Act shall notify the tax authority of when he commences or ceases his activity as a taxable person covered by the special scheme referred to in this subchapter, or changes that activity in such a way that he can no longer use this scheme. The taxable person shall send the notification in electronic form.

(2) For the purposes of identifying the taxable person who has indicated that he would make use of the special scheme referred to in this subchapter, the tax authority shall use the VAT identification number already assigned to the taxable person.

(3) For the purposes of the special scheme referred to in this subchapter, the tax authority shall keep a special record of taxable persons who have indicated that they will use this special scheme.

Article 130d
(Exclusion from the special scheme)

The tax authority shall exclude the taxable person who has indicated the use of the special scheme referred to in this subchapter from the special scheme:
- if the taxable person has notified the tax authority that he no longer supplies telecommunications, broadcasting or electronic services;
- if it may otherwise be assumed that his taxable activities covered by this special scheme have ceased as defined in Article 58a of the Implementing Regulation;
- if he no longer meets the conditions necessary for using this special scheme, or
- if he persistently fails to comply with the rules relating to the special scheme as defined in paragraph 2 of Article 58b of the Implementing Regulation.

Article 130e
/Submission of a special VAT return/

(1) The taxable person who has indicated the use of the special scheme referred to in this subchapter shall submit to the tax authority a special VAT return for each calendar quarter, whether or not telecommunications, broadcasting or electronic services have been supplied. The VAT return shall be submitted by the twentieth day of the month following the end of the tax period covered by the return. The special VAT return shall be submitted in electronic form.

(2) In the special VAT return referred to in paragraph 1 of this Article, the taxable person shall specify the Slovenian VAT identification number and, for each Member State of consumption in which VAT is due, the total value, exclusive of VAT, of supplies of telecommunications, broadcasting or electronic services carried out during the tax period and the total amount per rate of the corresponding VAT. On the return, the taxable person not established in the Member State of consumption shall also indicate the applicable rates of VAT and the total VAT due.
(3) Where the taxable person has one or more establishments, other than the fixed establishment in Slovenia, from which the services are supplied, the special VAT return shall in addition to the information referred to in the preceding paragraph include the total value of supplies of telecommunications, broadcasting or electronic services covered by the special scheme referred to in this subchapter for each Member State in which he has an establishment, together with the individual VAT identification number or the tax reference number of this establishment, broken down by Member State of consumption.

(4) The special VAT return shall be made out in euros.

(5) The taxable person may submit an amended special VAT return within three years of the expiry of the time limit for the submission of the special VAT return if he subsequently finds irregularities.

Article 130f
(Payment of VAT)

The taxable person who has indicated that he will use the special scheme referred to in this subchapter shall pay VAT when submitting the special VAT return or on the date of expiry of the time limit for the submission of the VAT return referred to in Article 130e of this Act at the latest. Payment of VAT shall be made to a bank account denominated in euros, designated by the tax authority.

Article 130g
(VAT deduction)

(1) The taxable person who has indicated that he will use the special scheme referred to in this subchapter shall have no right to deduct VAT; however, he may exercise his right to a refund of the VAT paid.

(2) The taxable person who has indicated in Slovenia that he will use the special scheme referred to in this subchapter may, notwithstanding Article 3 of Council Directive 2008/9/EC, exercise his right to a refund of VAT in another Member State in accordance with Subchapter 2.3 of Chapter IX of this Act.

(3) The taxable person who has indicated in another Member State that he will use the special scheme referred to in this subchapter may, notwithstanding paragraph 1 of Article 74 of this Act, exercise his right to a refund of VAT in Slovenia in accordance with Subchapter 2.2 of Chapter IX of this Act.

(4) The taxable person who has indicated in another Member State that he will use the special scheme referred to in this subchapter and carries out activities in Slovenia as a Member State of consumption which are not covered by this special scheme and in respect of which he is obliged to be registered for VAT purposes shall deduct VAT in respect of his taxable activities covered by this special scheme in the VAT return to be submitted pursuant to Article 87 of this Act.
Article 130h
(Record keeping)

(1) The taxable person who uses the special scheme referred to in this subchapter shall keep records of the transactions covered by this special scheme. The records must be sufficiently detailed to enable the tax authorities of the Member State of consumption to verify that the VAT return is correct.

(2) The records shall be made available electronically on request to the tax authority of Slovenia and to the tax authority of the Member State of consumption.

(3) The taxable person referred to in paragraph 1 of this Article shall keep the records for a period of ten years from 31 December of the year during which the transaction was carried out.

7. Special arrangements for VAT charged following the paid invoice charged on cash basis

Article 131
(General)

(1) The taxable person whose taxable turnover did not exceed 400,000 euros, excluding VAT, for the past 12 months, and there is small likelihood that he will exceed this amount in the next 12 months, may charge and pay VAT based on payments received for the supplied goods and services (hereinafter: special arrangement for VAT charged following the paid invoice charged on cash basis) in accordance with the provisions of this sub-chapter in the manner laid down by the minister responsible for finance.

(2) Taxable turnover referred to in the preceding paragraph shall be the taxable turnover referred to in paragraphs (7) and (8) of Article 94 of this Act.

(3) For the purpose of this sub-chapter, in case of affiliated persons the amount referred to in paragraph (1) of this Article shall be deemed to be the amount achieved jointly by all affiliated persons. Affiliated persons shall be regarded to be the persons defined as such in regulations on the taxation of income of legal and natural persons.

(4) Notwithstanding the provisions of Article 33 of this Article, the obligation to charge VAT by a taxable person shall be incurred by the taxable person using a special arrangement for VAT charged following the paid invoice charged on cash basis on the date of receipt of payment.

(5) Notwithstanding the provisions of Article 62 of this Article, the right to deduct VAT by a taxable person shall be granted to the taxable person using a special arrangement for VAT charged following the paid invoice charged on cash basis on the date when the payment is made.
Article 132

(Derogation from the special arrangement for VAT charged following the paid invoice charged on cash basis)

(1) The following transactions shall be excluded from the special arrangement for VAT charged following the paid invoice charged on cash basis: importation and exportation of goods, intra-Community acquisition of goods, and intra-community supply of goods.

(2) The special arrangement for VAT charged following the paid invoice charged on cash basis shall equally not apply to the following:

– financial lease agreements, under which a title of property has been effected on payment of the last installment;

– sales or purchase agreements subject to retention of title;

– transactions subject to a credit or loan agreement;

– supply of goods or services for which an invoice is made out inclusive of VAT, and for which the amount indicated in the invoice need not be paid within a period of six months from the invoice date;

– supply of goods or services for which an invoice has been issued prior to the supply of goods or services;

– services for which the recipient of services is liable to pay tax in accordance with point 3 of paragraph (1) of Article 76 of this Act;

- supplies of goods and services of which the recipient is the person liable for payment of VAT pursuant to Article 76a of this Act.

Article 133

(Conditions of application of the special arrangement following the paid invoice charged on cash basis)

(1) The taxable person from paragraph (1) of Article 131 of this Act may apply the special arrangement following the paid invoice charged on cash basis on the first day of any tax period provided that:

– he has submitted all required VAT returns and that he has settled all outstanding liabilities for VAT;

– prior to the transition to the special arrangement for VAT charged following the paid invoice charged on cash basis he has not been finally convicted of a criminal offence or a major violation of VAT rules;
– he has not applied this special arrangement within a twelve-month period prior to the transition to the special arrangement for VAT charged following the paid invoice charged on cash basis;

– he has provided for the compliance of his accounting with the conditions of application of the special arrangement for VAT charged following the paid invoice charged on cash basis;

– he has notified the tax office of the tax period in which he intends to introduce the special arrangement for VAT charged following the paid invoice charged on cash basis at least 15 days prior to the date of application of this special arrangement. The taxable person shall submit the notification to the tax authority in electronic form.

(2) The taxable person from the preceding paragraph who starts using the special arrangement for VAT charged following the paid invoice charged on cash basis shall show separately in his accounting records all payments he receives or makes in connection with the transactions for which he is liable to assess his tax liability based on incoming and outgoing invoices.

(3) The taxable person who submits a request for identification number for VAT purposes, may use the special arrangement for VAT charged following the paid invoice charged on cash basis from the date of identification for VAT purposes if:

– it is unlikely that in the next 12 months he will exceed the amount laid down by Article 131 of this Act,

– he notifies the tax office of his application of the special arrangement for VAT charged following the paid invoice charged on cash basis, and submits a request for being issued the identification number for VAT purposes. The taxable person shall submit the notification to the tax authority in electronic form.

(4) The taxable person from the preceding paragraph who starts using the special arrangement for VAT charged following the paid invoice charged on cash basis may not charge VAT on payments received for the supply of goods or services carried out prior to the identification for VAT purposes or claim a deduction of input VAT for payments made for the supplies of goods and services carried out prior to the identification for VAT purposes.

(5) The special arrangement for VAT charged following the paid invoice charged on cash basis may not be applied retroactively.

(6) Where based on the notification submitted by the taxable person or based on other available information the tax authority establishes that there is reasonable suspicion to believe that the special arrangement for VAT charged following the paid invoice charged on cash basis might be abused, or if the tax authority is obliged to check the accuracy and completeness of the information comprised in the notification, the tax authority may temporarily, however for not longer than two months, prohibit the taxable person from using the special arrangement for VAT charged following the paid invoice charged on cash basis. An appeal shall not stay the execution of the tax authority's decision.

(7) The tax authority shall issue within the time limit specified in the preceding paragraph a decision prohibiting the use of the special arrangement for VAT charged following the paid invoice charged on cash basis when it determines that the taxable person wanted to used this
special arrangement in order to avoid taxation, or when it determines that the conditions required for the use of the special arrangement for VAT charged following the paid invoice charged on cash basis have not been satisfied. An appeal shall not stay the execution of the tax authority's decision.

Article 134

(Commencement and termination date of the special arrangement following the paid invoice charged on cash basis)

(1) The taxable person who satisfies the conditions in order to start using the special arrangement following the paid invoice charged on cash basis may start using this special arrangement not earlier than on the first day of his next tax period which follows the month of notification.

(2) The taxable person may use the special arrangement following the paid invoice charged on cash basis until the last day of the tax period in which the amount of taxable supplies of goods and services during the last 12 months exceeds EUR 400,000, excluding VAT.

(3) The taxable person may cease to apply the special arrangement following the paid invoice charged on cash basis on the last day of any of his tax periods provided that he notifies the tax authority of the tax period in which he will cease to apply the special arrangement following the paid invoice charged on cash basis. The taxable person shall submit the notification to the tax authority in electronic form.

(4) The taxable person who ceases to apply the special arrangement following the paid invoice charged on cash basis in accordance with paragraphs (2) and (3) of this Article, shall show in his VAT return, which is submitted for the tax period in which he ceases to apply the special arrangement following the paid invoice charged on cash basis, the full VAT amount which he would be obliged to pay during the period of application of the special arrangement following the paid invoice charged on cash basis if he did not use this special arrangement, less the full amount of VAT charged and paid under the special arrangement following the paid invoice charged on cash basis and less the VAT deduction amount.

Article 135

(Special cases of discontinued use of the special arrangement following the paid invoice charged on cash basis)

(1) The right of the taxable person to use the special arrangement following the paid invoice charged on cash basis shall cease in the following cases:

– if during the period of application of this special arrangement he was convicted of a criminal offence or a serious violation relating to VAT,

– if he has claimed a VAT deduction as if not using the special arrangement following the paid invoice charged on cash basis,

– if the tax authority has reason to suspect that the taxable person has abused the special arrangement following the paid invoice charged on cash basis.
(2) The taxable person from the preceding paragraph shall show in the VAT return, which is submitted for the tax period in which he ceases to apply the special arrangement following the paid invoice charged on tax basis, the full VAT amount which he would be obliged to pay during the period of application of the special arrangement following the paid invoice charged on cash basis if he did not use this special arrangement, less the full amount of VAT charged and paid under the special arrangement following the paid invoice charged on cash basis and less the VAT deduction amount.

Article 136

(Proofs of payment and reporting outstanding invoices as at 31 December of the current year)

(1) The taxable person using the special arrangement following the paid invoice charged on tax basis shall store the invoices paid to other taxable persons and proofs of payment for a period of time laid down by Article 86 of this Act.

(2) The taxable person using the special arrangement following the paid invoice charged on tax basis shall report to the tax authority on all issued and received invoices that remain outstanding on 31 December of the current year. The taxable person shall submit a list of outstanding invoices to the tax authority, in electronic form, by 31 January of the following year at the latest.

Article 137

(Powers of the Minister)

The minister responsible for finance shall lay down in greater detail the implementation of this sub-chapter as well as the method of implementation of this special scheme for specific transactions.

8. Special scheme for the supply of occasional services of international carriage of passengers by road

Article 137a

(Application of the special scheme)

(1) The special scheme referred to in this chapter may be used by a taxable person who is not established in Slovenia and does not have a fixed establishment or his permanent residence there and does not usually reside there, if he meets the following conditions:
   a) he supplies occasional services of international carriage of passengers by road in Slovenia with vehicles that are not registered in Slovenia;
   b) he does not claim VAT deduction pursuant to Article 63 of this Act or a VAT return pursuant to Articles 74 to 74i of this Act;
   c) he does not conduct any other transactions that would be subject to VAT in Slovenia.

(2) For the purposes of this subchapter, occasional carriage of passengers by road means the occasional carriage of passengers by road as defined in the law governing road transport.
(3) For the purposes of this subchapter, the international carriage of passengers by road means the carriage of passengers by road where the point of departure or the point of arrival of a vehicle is outside Slovenia.

(4) The taxable person who meets the conditions of paragraph 1 of this Article and has decided to use the special scheme referred to in this subchapter shall use this special scheme at least during one tax period referred to in paragraph 1 of Article 137e of this Act or during the entire tax period referred to in paragraph 2 of Article 137e of this Act. The use of the special scheme referred to in this subchapter and charging VAT under the general rules in accordance with this Act shall be mutually exclusive within the same calendar year.

Article 137b
(Notification to the tax authority)

(1) The taxable person referred to in paragraph 1 of Article 137a of this Act shall file an application for a tax identification number with the tax authority, if such a number has not yet been assigned to him, and for a VAT identification number before he begins to carry out the occasional service of carriage of passengers by road within the territory of Slovenia.

(2) The taxable person shall file the application referred to in the preceding paragraph in electronic form.

(3) In the application for a VAT identification number, the taxable person referred to in paragraph 1 of Article 137a of this Act shall provide the following information necessary for identification: name, address, email address, transaction account, VAT identification number in the Member State in which he is established or has a fixed establishment from which his business transactions are carried out, or, if there is no such place, the place of permanent residence or the place where he usually resides, or an extract from the register of companies or other register proving that he carries out an activity in the Member State in which he is established, and a statement that he does not carry out transactions within the Union or any other supplies of goods and services that are subject to tax in Slovenia and for which he should be identified for VAT purposes pursuant to Article 79 of this Act, first name, surname, date of birth, address, and a copy of the personal identification document of the responsible person with powers of representation.

(4) The taxable person referred to in paragraph 1 of Article 137a of this Act shall notify the tax authority of any changes to the information provided in the application referred to in the preceding paragraph within eight days from the day on which the change occurred. The notification on changes to the information shall be submitted to the tax authority in electronic form.

(5) Upon receiving the application, the tax authority shall send to the taxable person by electronic means an acknowledgement of receipt of the application containing the basic information from the application, on the basis of which the taxable person may supply carriage services.

(6) The taxable person who has submitted the application referred to in paragraph 1 of this Article shall be notified of the VAT identification number assigned to him electronically within eight days of the date of receipt of the complete application. The notification of the
assigned VAT identification number shall be deemed to have been served on the eighth day from the day the acknowledgement was sent to the email address of the taxable person.

(7) The tax authority shall keep a record of taxable persons referred to in paragraph 1 of Article 137a of this Act who have been assigned a VAT identification number, registration marks of vehicles, and the number of passengers carried by an individual vehicle.

(8) When supplying occasional carriage services in Slovenia, the taxable person referred to in paragraph 1 of Article 137a of this Act shall have in his vehicle a certificate or a copy thereof showing that he has been identified for VAT purposes, or an acknowledgement from the tax authority that he has submitted an application for the issue of a VAT identification number. When the taxable person receives a certificate stating that he has been identified for VAT purposes, the certificate shall replace the acknowledgment of receipt of the submitted application.

Article 137c
(Exclusion from the special scheme)

(1) The tax authority shall exclude the taxable person referred to in paragraph 1 of Article 137a of this Act from the special scheme referred to in this subchapter:

a) if he informs the tax authority that he no longer supplies the services referred to in paragraph 1 of Article 137a of this Act;

b) if he fails to meet the conditions referred to in paragraph 1 of Article 137a of this Act;

c) if he fails to submit the special VAT return referred to in Article 137e of this Act;

d) if he fails to communicate changes to information pursuant to paragraph 4 of Article 137b of this Act, or

e) if he fails to provide all the required information on special VAT returns.

(2) The tax authority shall send the decision on the exclusion from the special scheme referred to in this subchapter to the email address of the taxable person.

Article 137d
(Notification of carriage services)

Before commencing the supply of carriage services in Slovenia, the taxable person shall notify the tax authority thereof electronically, providing his VAT identification number, the registration number of the vehicle, the date of supply of services within the territory of Slovenia and the planned itinerary within the territory of Slovenia.

Article 137e
(Tax period and special VAT return)

(1) The tax period for the special scheme referred to in this subchapter shall be a calendar year.

(2) In the event of the termination of the use of the special scheme referred to in this subchapter, the tax period shall end on the date of the termination of the use of the special scheme.
(3) The taxable person referred to in paragraph 1 of Article 137a of this Act shall submit to the tax authority a special VAT return by the last working day of the month following the end of the tax period. The special VAT return shall be submitted in electronic form.

(4) The special VAT return referred to in paragraph 3 of this Article shall contain:
1. a VAT identification number referred to in paragraph 6 of Article 137b of this Act;
2. the registration number of the vehicle, the number of passengers carried by this vehicle, and the date of supply of carriage services;
3. the value of the services supplied within the territory of Slovenia by vehicle, excluding VAT;
4. the VAT rate;
5. the total value of supply of services within the territory of Slovenia in the tax period;
6. the total value of VAT in the tax period.

Article 137f
(Payment of VAT)

(1) The taxable person referred to in paragraph 1 of Article 137a of this Act shall pay VAT into the national budget not later than within the time limit for submission of the special VAT return referred to in Article 137e of this Act.

Article 137g
(Record keeping and storage)

(1) The taxable person referred to in paragraph 1 of Article 137a of this Act shall keep a record of supplies of services covered by the special scheme referred to in this subchapter, in which he shall provide all the information on the basis of which the tax authority may verify whether the special VAT return is correct, in particular information on each individual journey, the registration number of the vehicle used for a particular journey, the number of passengers carried, the value of services supplied and the amount of VAT.

(2) The record referred to in paragraph 1 of this Article shall be available in electronic form and shall be made available by the taxable person to the tax authority on request.

(3) The taxable person referred to in paragraph 1 of Article 137a of this Act shall store invoices showing the subject of taxation, the tax base and VAT, and other documents that enable him to produce a VAT return pursuant to Article137e of this Act.

(4) The taxable person shall keep invoices and other documents and records referred to in this Article for a period of ten years after the end of the year to which the invoices and other documents refer.

XII. SUPERVISION OF CHARGING AND PAYMENT OF VAT

Article 138

(Supervision of the charging and payment of VAT)

The tax authority shall supervise the charging and payment of VAT in accordance with the law governing the tax procedure and with the law governing the financial administration.
Article 139

(Application of other regulations)

(1) As to all procedure-related issues that are not covered by this Act, provisions of the acts governing the tax procedure, the administrative procedure and the law governing the financial administration.

(2) Notwithstanding the preceding paragraph, the provisions of the act governing the tax procedure that refer to the rectification of deficiencies or irregularities in the tax return, the rectification of the tax return in case of declaring excessive tax liability and the submission of the tax return on the basis of a self-declaration, shall not apply to the rectification of errors from the previous tax periods in the current VAT return and to the subsequent submission of a VAT return after the expiry of the prescribed period for its submission.

(3) Notwithstanding paragraph 2 of this Article, paragraph 1 of this Article shall apply to the correction of irregularities from previous tax periods referred to in Article 137e of this Act.

XIII. PENAL PROVISIONS

Article 140

(Tax offences)

(1) Any legal person, sole proprietor or self-employed individual shall be fined for an offence with a penalty ranging from EUR 1,200 to EUR 41,000 if that person:

1. fails to charge VAT when the chargeable event occurs in accordance with Articles 33, 34, 39 and 131 of this Act;

2. fails to charge VAT on the taxable amount in accordance with Article 36, 36a and 37 of this Act;

3. fails to state the required information or provides incorrect data on the invoice (Articles 82, 83 and 84a);

4. fails to charge or incorrectly charges VAT for the statutory tax period (Articles 89, 134 and 135);

5. shows VAT on the invoices (Articles 110 and 116);

6. fails to report to the tax authority when he commences, changes or ceases his activity as a taxable person (paragraph 1 of Article 125 and paragraph 1 of Article 130c);

7. fails to submit the special VAT return for telecommunications, broadcasting or electronic services or fails to submit it in the prescribed manner or fails to provide all the required information in the submitted special VAT return (Articles 127 and 130e);

8. fails to pay VAT on telecommunications, broadcasting or electronic services within the specified time limit (Articles 128 and 130f); 9. fails to report to the tax authority on all issued
and outstanding invoices or fails to submit to the tax authority a list of outstanding invoices within the specified time limit (paragraph (2) of Article 136);

10. fails to submit the special VAT return for the supply of occasional services of international carriage of passengers by road or fails to submit it in the prescribed manner or fails to provide all the required information in the submitted special VAT return (Article 137e);

11. fails to submit an application for the issue of a VAT identification number or fails to submit it in the prescribed manner or fails to provide all the required information in the submitted application (paragraphs 1, 2 and 3 of Article 137b);

12. fails to communicate changes to information pursuant to paragraph 4 of Article 137b of this Act;

13. fails to notify the tax authority of the planned supply of carriage services (Article 137d);

14. fails to pay VAT on the supply of services of international carriage of passengers by road within the specified time limit or in the prescribed manner (Article 137f).

(2) A fine of EUR 200 to EUR 4,100 shall also be imposed on the responsible person of a legal entity, sole proprietor or self-employed individual for violations from paragraph (1) of this Article.

(3) The taxable person from paragraph (5) of Article 95 of this Act shall be fined for an offence with a penalty ranging from EUR 200 to EUR 1,200 if he fails to prepare a flat-rate statement and fails to submit it to the tax authority within the specified time limit or fails to state the required data in the VAT return.

Article 141

(Serious tax offences)

(1) Any legal person, sole proprietor or self-employed individual shall be fined for an offence with a penalty ranging from EUR 2,000 to EUR 125,000 if that person:

1. incorrectly charges the deductible proportion of VAT (Articles 63 to 72);

2. fails to pay VAT or fails to pay VAT within the specified time limit (Article 77);

3. fails to comply with the obligation to notify the tax authority of the commencement, change of termination of his activity as a taxable person or fails to submit to the tax authority a request for issue of the identification number for VAT purposes or fails to submit it within the specified time limit or in the prescribed manner (Article 78);

4. fails to declare to the tax authority the intra-Community acquisition of goods (paragraph (3) of Article 78);

5. fails to ensure that an invoice is issued or fails to issue an invoice within the specified time limit (Article 81);
5a. fails to ensure the authenticity of the origin, the integrity of the content and the legibility of the invoice throughout the period for storage of the invoice (paragraph (4) of Article 84, paragraph (3) of Article 86);

6. fails to provide in his bookkeeping the data referred to in Article 85 of this Act or fails to provide them for the specified period;

7. fails to store books of account and other documents during the specified period and in the specified manner (paragraphs (1), (2), (3), (5) and (6) of Articles 86 and paragraph (1) of Article 136);

8. fails to submit a VAT return or fails to submit a VAT return in the required manner or within the specified time limits or fails to state the required data in the VAT return (Articles 87, 88 and 88a);

8a. fails to allow the tax authority to access, transfer or use the accounts during the tax control procedure (paragraph (4) of Article 86);

9. fails to submit to the tax authority the recapitulative statement on the acquisition of goods within the Union (paragraph (1) of Article 90) or fails to submit the recapitulative report for the prescribed period, within the specified time limit or in the prescribed manner (Article 92);

10. fails to indicate the required data in the recapitulative statement (paragraph (2) of Article 90 and paragraph (1) of 91 Article);  

10a. fails to submit to the tax authority a report on the supplies of goods or services pursuant to Article 76a of this Act or fails to provide it for the prescribed period within the specified time limit or fails to provide it in the prescribed manner (Article 92a);

11. calculates VAT, shows VAT on invoices, and deducts input VAT contrary to Article 94 of this Act;

12. submits to the tax authority false or incomplete information about his meeting of conditions from Article 133 in order to unduly start using the special arrangement following the paid invoice charged on cash basis;

13. charges VAT on payments received in spite of the fact that he does not meet the conditions for use of the special arrangement following the paid invoice charged on cash basis (Article 131);

14. starts using the special arrangement following the paid invoice charged on cash basis prior to the commencement of the tax period stated in his notification to the tax authority or continues to use the above-mentioned special arrangement even after he no longer meets the conditions for its application (Article 134);

15. fails to keep records of investment gold transactions or fails to provide storage for documentation during the required time limit (Article 122);
16. fails to keep records of transactions covered by the special scheme for non-established taxable persons who supply telecommunications, broadcasting or electronic services or if these records are incomplete or inaccurate (Articles 130 and 130h);

17. fails to provide storage for records of transactions relating to the supply of telecommunications, broadcasting or electronic services during the required storage period (Articles 130 and 130h);

18. fails to keep records of services covered by the special scheme for the supply of occasional services of international carriage of passengers by road or fails to provide storage for documents during the required period (Article 137g).

(2) A fine of EUR 200 to EUR 4,100 shall also be imposed on the responsible person of a legal entity, sole proprietor or self-employed individuals for violations from paragraph (1) of this Article.

Article 141a

(Exemption from offence in case of rectifying errors in the current VAT return due to a rectification of errors in the VAT return for the previous tax period and in the event of subsequently submitted VAT returns)

Notwithstanding the penal provisions of this Act, a taxable person who rectifies errors from previous tax periods in accordance with Article 88b of this Act and a taxable person who subsequently submits his VAT return in accordance with Article 88c of this Act shall not be punished for an offence.

Article 141b

(deleted)

Article 142

(Fine for particularly serious offences)

In cases when the offences referred to in Article 141 are of a particularly serious nature due to the amount of damage caused or the amount of acquired illegal proceeds or because of the offender’s intent or intention of unlawful gain, a fine of up to EUR 375,000 shall be imposed on the offender who is a legal person, sole proprietor or a self-employed individual, and a fine of up to EUR 12,300 on the responsible person of such legal person, sole proprietor or self-employed person.

Article 143

(Fine in proportion to the outstanding VAT amount)

A fine expressed as a range may, by means of a decision issued in a fast-track procedure, also be imposed in an amount exceeding the minimum fine amount, in which case such a fine shall be imposed as a percentage of the outstanding VAT, specifically 50% of the outstanding VAT
A fine imposed under this Article shall not exceed the maximum fines laid down for offences referred to in this Act.

Article 144

(Limitation of offence procedure)

(1) No procedure in tax offence cases from Article 141 of this Act which are of a particularly serious nature due to the circumstances from Article 142 of this Act may be initiated after the expiry of the period of three years after the offence was committed.

(2) The statute of limitation period shall break off any activity of the misdemeanour authority which is aimed at the prosecution of the offender. After the break-off, the statute of limitation shall resume running; however, the offence procedure may in no event be initiated or continued after the expiration of a six-year period from the date when the offence was committed.

XIV. SPECIAL PROVISIONS

Article 145

(Authorisation to the Government)

(1) The Government of the Republic of Slovenia may amend the flat-rate rebate from the third paragraph of Article 95 of this Act in case of significant changes in business and economic conditions or in case of changes in the VAT rates.

(2) The Budget Implementation Act may raise or reduce the VAT rates under this Act by up to 15%.

Article 146

(Detailed regulations)

(1) A combined nomenclature of the tariff codes shall be used for the classification of products, whereas the standard classification of activities shall be used for the classification of activities.

(2) The minister responsible for finance shall lay down the detailed regulations on the implementation of this Act, including the precise criteria for and methods of claiming exemption from VAT, and the method of filing applications by electronic means.

XV. TRANSITIONAL AND FINAL PROVISIONS

Article 147

(Lower VAT rate during the transitional period)

(1) A lower rate of VAT referred to paragraph (3) of Article 41 of this Act shall apply till the end of the transitional period laid down by the Treaty of Accession of the Republic of
Slovenia to the European Union or till the end of the transitional period laid down by the legal act of the Council granting Slovenia the permission to apply a lower rate of VAT.

(2) The end of the period of application of a lower rate of VAT referred to in paragraph (3) of Article 41 shall be published by the minister responsible for finance in the Official Journal of the Republic of Slovenia (Uradni list Republike Slovenije).

Article 148

(Exemptions from VAT in tax warehouses)

(1) The provisions of this Act relating to tax warehouses shall start to apply after the publication of the approval of the arrangement following the consultation procedure under Article 29 of the Sixth Council Directive 77/388/EEC.

(2) The minister responsible for finance shall publish the approval from the preceding paragraph of this Article in the Official Journal of the Republic of Slovenia.

Article 149

(Transitional provision for Article 94)

(1) The taxable person who is identified for VAT purposes on the date of entry into force of this Act since he has exceeded the amount from Article 45 of the Value Added Tax Act (Official Journal of the Republic of Slovenia, no. 21/06 – official consolidated version) and meets the conditions for exemption from charging VAT subject to paragraph (1) of Article 94 of this Act, shall submit to the tax authority a request for termination of identification for VAT purposes by 31 December 2006 at the latest.

(2) The taxable person from paragraph (1) of this Article may opt for charging VAT in accordance with the provisions of this Act. He shall notify the tax authority of his choice by 31 December 2006 at the latest.

(3) Should the taxable person from paragraph (1) of this Act not submit a request for termination of his identification for VAT purposes within the specified time limit or not act in accordance with paragraph (2) of this Article, the tax authority shall decide on the termination of his VAT identification ex officio.

(4) The taxable person from paragraph (1) of this Article shall not include VAT in his invoices and shall not be entitled to claim VAT deduction after 1 January 2007.

Article 150

(Termination of validity of regulations)

(1) As of entry into force of this Act, the following shall cease to apply:

– Value Added Tax Act (Official Journal of the Republic of Slovenia, no. 21/06 – official consolidated version);
– Rules implementing the Value Added Tax Act (Official Journal of the Republic of Slovenia, nos. 17/04, 45/04, 84/04, 122/04, 60/05, 117/05, 1/06 and 10/06);

Rules Enforcing Value Added Tax and Excise Duty Exemptions in International Passenger Traffic (Official Journal of the Republic of Slovenia, no. 43/04),

– Rules concerning the method of exemption from duties for diplomatic missions and consular posts and international organizations in accordance with international treaties applicable to the Republic of Slovenia (Official Journal of the Republic of Slovenia, no. 45/04) and


(2) The regulation from the first indent of paragraph (1) of this Article shall apply from the effective date of this Act.

Article 151

(Adoption of implementing regulations)

(1) The minister responsible for finance shall adopt detailed regulations for the implementation of this Act within one month of the entry into force of this Act.

(2) Prior to the date of application of the regulations referred to in paragraph (1) of this Article, the regulations from the second to the fifth indent of paragraph (1) of Article 150 Act shall apply.

Article 152

(Entry into force and application)

This Act shall enter into force on the day following its publication in the Official Journal of the Republic of Slovenia and shall apply from 1 January 2007.

The Act amending VAT Act (ZDDV-1A; OJ No. 33/09) lays down the following final provision:

Article 2

This Act shall enter into force on the day following its publication in the Official Journal of the Republic of Slovenia, and shall apply for VAT returns relating to tax periods after 31 December 2009.
The Act amending VAT Act (ZDDV-1B; OJ No. 85/09) lays down the following transitional and final provisions:

TRANSITIONAL AND FINAL PROVISIONS

Article 47

(Application of Article 73a of the Act)

Article 73a of this Act shall be applied to VAT returns relating to tax periods after 31 December 2009.

Article 48

(Application of new rules on VAT refund to taxable persons established in an EU Member State)

(1) Subchapters 2.2. “VAT refund to taxable persons established in another Member State” and 2.3. “VAT refund to taxable persons established in Slovenia in another Member State” of Chapter IX shall apply to VAT refund requests submitted after 31 December 2009.

(2) VAT refund requests submitted before 1 January 2010 shall be subject to the VAT regulations in force on 31 December 2009.

Article 49

(Application of point (11a) of Annex I)

Point (11a) of Annex I of this Act shall apply from 1 January 2011.

Article 50

(Entry into force)

This Act shall enter into force on 1 January 2010.

The Act amending VAT Act (ZDDV-1C; OJ No. 85/10) lays down the following final provision:

FINAL PROVISION

Article 37

(Extension of the time limit for refund referred to in Article 74d of this Act and termination of the validity of point e) of Article 76a of this Act)

(1) Notwithstanding paragraph (2) of Article 74 of this Act, applicants may submit their requests for refund for 2009 by 31 March 2011.

(2) Point e) of Article 76a of this Act shall cease to apply by 31 December 2018.
The Act amending VAT Act (ZDDV-1D; OJ No. 18/11) lays down the following transitional and final provisions:

TRANSITIONAL AND FINAL PROVISIONS

Article 3

(Transitional provision)

This Act shall not apply to invoices issued prior to the enforcement of this Act.

Article 4

(Entry into force)

This Act shall enter into force on the day following its publication in the Official Journal of Republic of Slovenia.

The Act amending VAT Act (ZDDV-1E; OJ No. 78/11) lays down the following transitional and final provision:

TRANSITIONAL AND FINAL PROVISION

Article 34

(Beginning of application of individual provisions)

(1) The provisions of paragraphs (4) and (5) of Article 39 shall apply to claims established in the compulsory settlement or bankruptcy proceedings for which a decision on the initiation of proceedings was issued after 1 January 2011.

(2) The provisions of Article 88b of the Act shall apply to the rectification of errors from previous tax periods in VAT returns referring to tax periods starting after 30 September 2011.

(3) The provisions of Articles 88c, 139, 141 and 141a of this Act shall apply to VAT returns relating to tax periods starting after 30 September 2011.

(4) The provisions of paragraph (3) of Article 58, paragraph (2) of Article 64, paragraph (1) of Article 80, the fifth indent of paragraph (1) and the second indent of paragraph (3) of Article 133 and paragraph (3) of Article 134 of this Act shall apply as of 1 January 2012.

(5) The provisions of paragraph (2) of Article 45, paragraph (10) of Article 74i and paragraph (5) of Article 95 shall apply as of 1 July 2012.

(6) The provisions of paragraph (2) of Article 43, paragraphs (5) and (7) of Article 65, paragraph (7) of Article 77, paragraph (2) of Article 105, paragraph (4) of Article 120 and paragraph (2) of Article 136 of this Act shall apply as of 1 January 2013.
(7) By the time the provisions of paragraphs (4) to (6) of this Article come into force, the provisions of the Value Added Tax Act (Official Journal of Republic of Slovenia, no. 13/11 – official consolidated text, and 18/11) shall apply.

Article 35

(Entry into force)

This Act shall enter into force on the day following its publication in the Official Journal of Republic of Slovenia.

The Act amending VAT Act (ZDDV-1F; OJ No. 38/12) lays down the following transitional and final provision:

TRANSITIONAL AND FINAL PROVISIONS

Article 3

(Transitional provision)

(1) A taxable person that according to the Article 66a of the Value Added Tax Act (Official Journal of Republic of Slovenia, no. 13/11 – official consolidated text, 18/11 and 78/11) did not yet claim VAT deduction, may deduct VAT according to the Article 67 of the Value Added Tax Act.

(2) Taxable person from the preceding paragraph is not entitled to claim VAT deduction previously as in VAT return relating to tax period in which this Act entered in force.

(3) Taxable person shall provide information on claiming VAT deduction as set out in this Article to the tax administration electronically upon presentation of the VAT return for the respective tax period.

Article 4

The offence procedures which were introduced in pursuance of point 18 of paragraph (1) of Article 141 of the Value Added Tax Act (Official Journal of Republic of Slovenia, no. 13/11 – official consolidated text, 18/11 and 78/11) until the enforcement of this Act, shall be ceased in case that the offence order has not been issued yet or is not final yet.

Article 5

(Entry into force)

This Act shall enter into force on the day following its publication in the Official Journal of Republic of Slovenia.
The Act amending VAT Act (ZDDV-1G; OJ No. 83/12) lays down the following transitional and final provision:

TRANSITIONAL AND FINAL PROVISION

Article 27

(Transitional provision for Article 94)

(1) The provision of the amended paragraph (1) of Article 94 of this Act shall begin to apply from the first day of the second calendar month following the month of the announcement of notification of publication of the Council Implementing Decision authorising the Republic of Slovenia to apply a measure derogating from Article 287 of Council Directive 2006/112/EC in the Official Journal of the European Union.

(2) The minister responsible for finance shall publish the notification referred to in the preceding paragraph of this Article in the Official Journal of the Republic of Slovenia.

(3) A taxable person who is identified for VAT purposes on the date of publication of the notification referred to in paragraph (1) of this Article for having exceeded the amount referred to in paragraph (1) of Article 94 of the Value Added Tax Act (Official Journal of the Republic of Slovenia, no. 13/11 – Official Consolidated Text, 18/11. 78/11 and 38/12) and meets the conditions for exemption from charging VAT subject to paragraph (1) of Article 94 of this Act, may submit to the tax authority a request for termination of identification for VAT purposes before the end of the 60-month time limit referred to in paragraph (3) of Article 94 of this Act.

Article 28

(Entry into force)

This Act shall enter into force on 1 January 2013.

The Act amending VAT Act (ZDDV-1H; OJ No. 86/14) lays down the following transitional and final provisions:

TRANSITIONAL AND FINAL PROVISIONS

Article 37

(Date of application of Articles 137a to 137g)

Notwithstanding Article 38 of this Act, the provisions of Articles 137a to 137g shall apply from 1 April 2015. The taxable person referred to in paragraph 1 of Article 137a of this Act shall submit the application referred to in paragraph 1 of Article 137b from 1 March 2015.

Article 38

(1) This Act shall enter into force on the day following its publication in Uradni list Republike Slovenije and shall apply from 1 January 2015, with the exception of the amended paragraph 4 of Article 4, the amended paragraph 2 of article 72, the amended Article 125, paragraph 1 of Article 130b and Article 130c of this Act, which shall apply from the date of entry into force of this Act.
(2) The provisions of Articles 30c, 30d, 30e, paragraph 2 of Article 50, point a) of paragraph 1 of Article 57, paragraphs 1 and 2 of Article 59, paragraph 2 of Article 76, Articles 123, 124, 126, 127, 128, 129, 130, 140 in 141 of the Value Added Tax Act (Uradni list RS, no. 13/11 – official consolidated text, 18/11, 78/11, 38/112 and 83/12) shall apply until 1 January 2015).
Annex I

LIST OF SUPPLIES OF GOODS AND SERVICES SUBJECT TO LOWER VAT RATE

(1) Foodstuffs (including beverages, except alcoholic beverages) for human and animal consumption; live animals, seeds, plants and ingredients (usually) intended for preparation of food; products (normally) used as food additives or food substitutes; preparation of food;
(2) Supply of water;
(3) Medicines used for treatment and prevention of diseases in human and veterinary medicine, including birth control products and hygienic protection products;
(4) Medical equipment, accessories and other medicines intended to alleviate or treat injury of disability and intended exclusively for personal use, including the repair and maintenance of such goods;
(5) Transport of passengers and their personal luggage;
(6) the supply of books, including library borrowing of books, on all physical means of support (including brochures, leaflets and similar printed matter, children's picture drawing and colouring books, pieces of music, either printed or manuscript, geographical maps and hydrographic or similar charts), newspapers and periodicals, except materials that are wholly or predominantly intended for advertising;
(7) Admission fees for exhibitions, theatres, museums, visits to natural sites of interest, cinematographic and musical performances, circuses, fairs, amusement parks, zoos and similar cultural performances and sporting events;
(8) Royalties due to writers and composers and the services supplied by performing artists;
(9) Import works of art, collectors' items and antiques from points 2, 3 and 4 of paragraph (1) of Article 101 of this Act;
(10) Works of art from point 2 of paragraph (1) of Article 101 of this Act when they are sold by:
  – by their author or his statutory or legal successors or
  – the taxable person other than a dealer provided that sale is effected on an occasional basis and that he imported these works of art by himself or they were sold to him by their author or his statutory or legal successors, or provided he was entitled to a full deduction of input VAT on the purchase;
(11) Flats, housing and other facilities intended for permanent residence and parts of these buildings that are not part of a social policy, including the construction, renovation and repair thereof;
(11a) Renovation and repair of private dwellings, except materials that are an essential part of the value of the supply;
(11b) Window cleaning and cleaning in private households;
(12) Animals for fattening, seeds, plants, fertilisers, plant protection products, biotic plant protection products and services intended exclusively for use in agriculture, forestry and fishery;
(13) The provision of accommodation capacities in hotels and similar accommodation establishments including accommodation capacities in homes and other accommodation establishments and the letting of space for tents, caravans and similar movable facilities;
(14) The use of sports facilities;
(15) The supply of burial and cremation services together with the supply of goods directly related to burial or cremation provided by a funeral service provider;
(16) Public hygiene services;
(17) Minor repairs of bicycles, shoes and leather goods, clothing and household linen (including mending and alteration);
(18) Home care services (domestic help and care of children, care for the elderly, the sick and the disabled);
(19) Hairdressing;
(20) Supply of potted plants, seedlings, cut flowers.
Annex I a

INDICATIVE LIST OF ELECTRONICALLY SUPPLIED SERVICES REFERRED TO IN ARTICLE 30c OF THE ACT

(1) Web supply services, web roaming, distance maintenance of programmes and equipment;
(2) Software supply and upgrade;
(3) Supply of images, texts and information and provision of free use of databases;
(4) Supply of music, films and games, including games of chance and lottery as well as presentations and events in the field of politics, culture, art, sport, science and entertainment;
(5) Distance teaching.
Annex II

TYPES OF GOODS THAT MAY STORED IN VAT WAREHOUSES

<table>
<thead>
<tr>
<th>CN Code</th>
<th>Description of goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) 0701</td>
<td>Potatoes</td>
</tr>
<tr>
<td>(2) 0711 20</td>
<td>Olives</td>
</tr>
<tr>
<td>(3) 0801</td>
<td>Coconuts, Brazil nuts in</td>
</tr>
<tr>
<td></td>
<td>cashew nuts</td>
</tr>
<tr>
<td>(4) 0802</td>
<td>Other nuts</td>
</tr>
<tr>
<td>(5) 0901 11 00</td>
<td>Coffee, not roasted</td>
</tr>
<tr>
<td>0901 12 00</td>
<td></td>
</tr>
<tr>
<td>(6) 0902</td>
<td>Tea</td>
</tr>
<tr>
<td>(7) 1001 do 1005</td>
<td>Cereals</td>
</tr>
<tr>
<td>1007 to 1008</td>
<td></td>
</tr>
<tr>
<td>(8) 1006</td>
<td>Husked rice</td>
</tr>
<tr>
<td>(9) 1201 do 1207</td>
<td>Grains, oleaginous fruit and seeds</td>
</tr>
<tr>
<td></td>
<td>(including soybeans)</td>
</tr>
<tr>
<td>(10) 1507 to 1515</td>
<td>Vegetable oils and fats and</td>
</tr>
<tr>
<td></td>
<td>their fractions, whether or not</td>
</tr>
<tr>
<td></td>
<td>refined, but not chemically</td>
</tr>
<tr>
<td></td>
<td>modified</td>
</tr>
<tr>
<td>(11) 1701 11</td>
<td>Raw sugar</td>
</tr>
<tr>
<td>1701 12</td>
<td></td>
</tr>
<tr>
<td>(12) 1801</td>
<td>Cocoa beans, whole or broken, raw</td>
</tr>
<tr>
<td></td>
<td>or roasted</td>
</tr>
<tr>
<td>(13) 2709</td>
<td>Mineral oils (including propane and</td>
</tr>
<tr>
<td>2710</td>
<td>butane; including crude oil and oils)</td>
</tr>
<tr>
<td>2711 12</td>
<td></td>
</tr>
<tr>
<td>2711 13</td>
<td></td>
</tr>
<tr>
<td>(14) Chapters 28 and 29</td>
<td>Bulk chemical products</td>
</tr>
<tr>
<td>(15) 4001</td>
<td>Natural rubber in primary forms or in plates, sheets or strips</td>
</tr>
<tr>
<td>(16) 5101</td>
<td>Wool</td>
</tr>
<tr>
<td>(17) 7106</td>
<td>Silver</td>
</tr>
<tr>
<td>(18) 7110 11 00</td>
<td>Platinum (palladium, rhodium)</td>
</tr>
<tr>
<td>(19) 7402</td>
<td>Copper</td>
</tr>
<tr>
<td>(20) 7502</td>
<td>Nickel</td>
</tr>
<tr>
<td>(21) 7601</td>
<td>Aluminium</td>
</tr>
<tr>
<td>(22) 7801</td>
<td>Lead</td>
</tr>
<tr>
<td>(23) 7901</td>
<td>Zinc</td>
</tr>
<tr>
<td>(24) 8001</td>
<td>Tin</td>
</tr>
<tr>
<td>(25) ex 8112 92</td>
<td>Indium</td>
</tr>
<tr>
<td>(26) 2614</td>
<td>Titanium ores and concentrates</td>
</tr>
<tr>
<td>(27) 7202</td>
<td>Ferrous alloys</td>
</tr>
<tr>
<td>(28) 7201</td>
<td>Pig iron and spiegeleisen in pigs, blocks and other primary forms</td>
</tr>
<tr>
<td>(29) 81</td>
<td>Other metals</td>
</tr>
<tr>
<td>(30) 4409</td>
<td>Wood in the rough</td>
</tr>
<tr>
<td>(31) 9401</td>
<td>Final/processed wood products</td>
</tr>
</tbody>
</table>
Annex III

WORKS OF ART, COLLECTORS' PIECES AND ANTIQUES

A. "Works of art"
1. pictures, drawings and pastels, collages and similar decorative plaques classified under tariff code 9701 of the combined nomenclature of the customs tariff (hereinafter: tariff code) if executed entirely by hand by the artist, other than plans and drawings for architectural, engineering, industrial, topographical or similar purposes; hand-drawn or hand-decorated articles; theatrical scenery or the like of painted canvas;
2. original engravings, prints and lithographs under tariff code 9702 00 00, being impressions produced in limited numbers directly in black and white or in colour of one or of several plates executed by hand by the artist irrespective of the process or material employed by him but not including any mechanical or photomechanical process;
3. original sculptures and statuary, in any material, under tariff code 9703 00 00, provided that they are executed entirely by the artist and sculpture casts the production of which is limited to eight copies and supervised by the artist or his successor;
4. tapestries under tariff code 5805 00 00 and wall textiles under tariff code 6304 00 00 made by hand from original designs provided by artists, provided that there are not more than eight copies of each;
5. individual pieces of ceramics executed exclusively by the artist and signed by him;
6. enamels on copper, executed exclusively by hand, limited to eight numbered copies bearing the signature of the artist or the studio, excluding articles of jewellery, goldsmiths' and silversmiths' wares;
7. photographs taken by the artist or printed by him or under his supervision, signed and numbered and limited to 30 copies, all sizes included.

B. "Collections"
1. postage or revenue stamps, first-day covers, pre-stamped stationery and the like under tariff code 9704 00 00, franked, or, if unfranked, not being of legal tender and not being intended for use as legal tender;
2. collections and collectors' pieces under tariff code 9705 00 00 of zoological, botanical, mineralogical, anatomical, historical, archaeological, paleontological, ethnographic or numismatic interest.

C. "Antiques" objects under tariff code 9706 00 00 which are more than 100 years old, other than works of art or collectors' items.
Annex III a

LIST OF SUPPLIES OF WASTE, RESIDUES AND USED MATERIAL AND SERVICES FOR WHICH THE PERSONS LIABLE FOR PAYMENT OF VAT ARE THE RECIPIENTS OF THESE GOODS AND SERVICES

(1) Supply of ferrous and non-ferrous waste, residue products and used materials, including semi-finished products in processing, manufacturing or smelting of ferrous and non-ferrous metals and their alloys;

(2) Supply of semi-processed ferrous and non-ferrous products and supply of processing services associated therewith;