

PETERKA PARTNERS

YOUR CEE LAW FIRM

NEWSLETTER
January 2025



Czech Republic Slovakia Ukraine Bulgaria
Poland Romania Hungary Croatia Slovenia

www.peterkapartners.com

Expanding Our Reach in Central and Eastern Europe – Slovenia

In December of last year, PETERKA PARTNERS have opened a **new office in Ljubljana, Slovenia**. This expansion marked a significant milestone in our firm's development as we strengthened our presence across the Central and Eastern European region, further advancing our goal of becoming a leading law firm in the area.

The decision to establish an office in Slovenia, a country with a rich history, vibrant culture, and a thriving business environment, underscored our commitment to better serving clients throughout the CEE region.

The office is led by **Pia Florjančič Požeg Vancaš**, an experienced Slovenian attorney who was appointed as Head of the Office for Slovenia.

This expansion represented the next chapter in our mutual growth and success in the region. We extended a warm welcome to **Pia Florjančič Požeg Vancaš** during her onboarding in our Prague headquarters, and we wish her all the best in her new role.

For further information or to reach out to our Slovenian team, contact details for PETERKA PARTNERS Slovenia can be found [here](#).



Expansion of the PETERKA PARTNERS Polish Desk

We are pleased to share news about the recent expansion of our Polish Desk with the appointment of **Michal Rampášek** (now our Leader of Polish desk, Criminal Law and Cybersecurity, Data and Privacy protection) as its new co-leader.

Michal, an experienced Slovak attorney-at-law based in our Bratislava office, has joined **Marcin Kryszko**, our Senior Associate and Leader of Polish desk, who has successfully led and developed the Polish Desk since its official launch in 2018.

Fluent in Polish, Michal Rampášek serves as a key contact for Polish companies interested in entering or already operating in the Slovak and Czech markets. His appointment further strengthens our ability to provide seamless, integrated legal support to Polish clients across Central and Eastern Europe.

For many years, the Polish Desk at PETERKA PARTNERS has been a trusted partner to leading Polish corporations in the region, delivering tailored legal solutions with a deep understanding of cross-border business needs.



PETERKA PARTNERS
YOUR CEE LAW FIRM

**NEW CO-LEADER AT
OUR POLISH DESK**

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PETERKA PARTNERS in IFLR1000 Rankings for 2024

PETERKA PARTNERS has been ranked once again in the latest IFLR1000 Rankings for 2024, covering all the jurisdictions where we operated in 2024: the Czech Republic, Slovakia, Poland, Hungary, Bulgaria, Romania, Ukraine, and Croatia. This recognition highlighted our team's steadfast commitment to delivering exceptional legal services and maintaining the highest standards of client care.



We are especially proud of the recognition earned by our **Zagreb office in Croatia**. As one of the youngest branches of the PETERKA PARTNERS firm, its inclusion in the rankings was an extraordinary achievement. Congratulations to the entire Croatian team for this well-deserved honor.

We are also delighted to celebrate the recognition of our Partner, **Ján Makara**, who has been highly regarded in the M&A and Real Estate Acquisitions practice area for the Slovak jurisdiction. This distinction is a testament to Ján Makara's expertise and dedication.



Recognition for PETERKA PARTNERS Slovakia in The Slovak Spectator Rankings

We are proud to announce that PETERKA PARTNERS Slovakia has been featured once again in **The Slovak Spectator's** prestigious annual ranking of the largest law firms in Slovakia.

Our achievements include recognition in two key categories:

- Ranked among the 10 largest international law firms in Slovakia.
- Ranked among the 10 largest law firms in the Labour Law category.

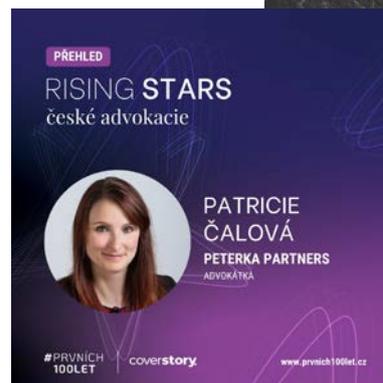
This acknowledgment reflects the dedication and hard work of our talented Bratislava team, whose commitment to excellence is the foundation of our success. We are equally grateful to our valued clients for their trust and support, which motivates us to continue striving for exceptional results.



PETERKA PARTNERS' Recognition in the 2025 EURO Magazine Ranking

We are excited to share that our Partner and Director of the Czech office, **Adéla Krbcová**, has been recognized in the prestigious new ranking of the top 100 outstanding women in law for 2025, published by **EURO magazine** as part of the exceptional “First Hundred Years” project (**#PRVNÍCH100LET**). This recognition is a testament to her leadership and the dedication of the entire Czech team at PETERKA PARTNERS.

Congratulations to all the women in law recognized in this year's rankings and in every other category. This project plays a crucial role in supporting women in a profession historically dominated by men, fostering networking, strengthening professional bonds, raising important topics, and showcasing women as true experts and role models for the next generation of legal professionals.



We are also proud to share that our Senior Associate, **Patricie Čalová**, has been included in the prestigious Rising Stars project, part of the **#PRVNÍCH100LET** initiative.

This recognition highlights Patricie Čalová's exceptional talent and commitment to the legal profession. Through this initiative, she aims to inspire and support young lawyers considering a career in law, while collaborating with other participants to shape the future of the profession.

We extend our warmest congratulations to Adéla Krbcová and Patricie Čalová and look forward to seeing the impact of her contributions in this inspiring initiative.

Contribution to Chambers and Partners Insolvency 2024 Guide

December of last year, Jiří Černý, our Equity Partner, contributed to the **Chambers and Partners Insolvency 2024 Guide** for the Czech Republic, in collaboration with **Dan Loukota**, our Senior Associate.

In the Trends and Developments section, their analysis focuses on the **Act on Preventive Restructuring**, which has been in effect in the Czech Republic for approximately one year. This significant legislation marks an important milestone in our country's legal landscape, and their insights shed light on its implications and applications.

To read the chapter written by Jiří Černý and Dan Loukota on the Czech Republic, visit the [Chambers and Partners website](#).

For the full guide, including their contribution on page 313, click [here](#).



Celebrating Women in Law at PETERKA PARTNERS Warsaw

In December of last year, PETERKA PARTNERS had the honor of hosting a special event at our **Warsaw office**, celebrating the power of inspiration and collaboration among exceptional lawyers. As one of the main partners for the **#PRVNÍCH100LET** project, which recognizes outstanding women in law, we were thrilled to welcome a group of talented Rising Stars from the Czech Republic.



We extend our heartfelt thanks to **Agnieszka Siwińska** and **Dorota Płoskowicz**, Partners and Directors of our Warsaw office, for sharing their insights and inspiring stories during the event. Their passion and dedication are a powerful reminder of the unique impact women have in shaping the legal landscape in Poland and beyond.

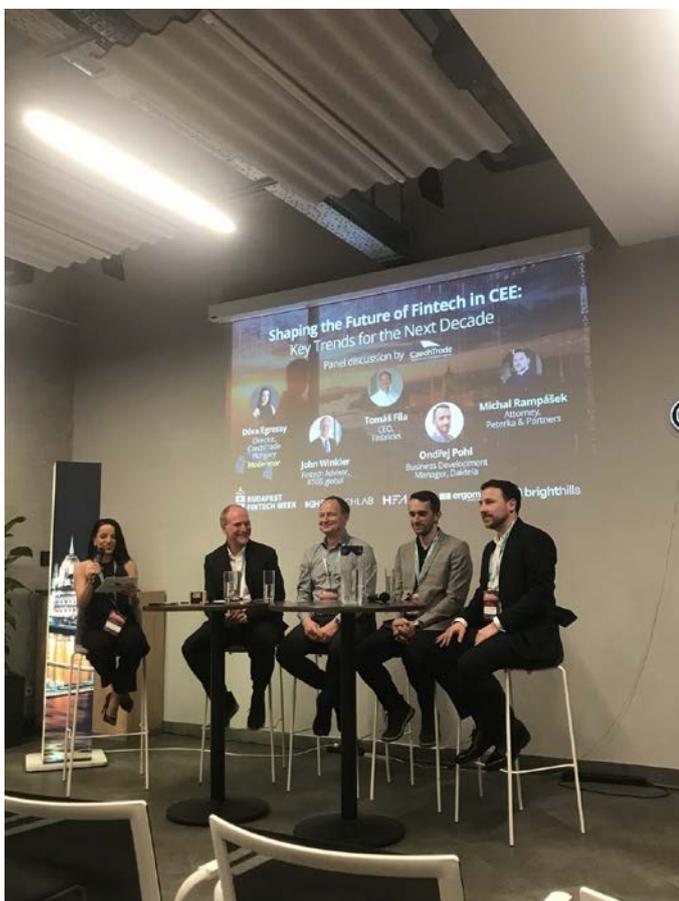


Michal Rampášek Represents PETERKA PARTNERS at Budapest Fintech Week

A month ago, Michal Rampášek, Leader of Criminal Law, Cybersecurity, Data and Privacy Protection and Polish Desk, represented PETERKA PARTNERS at a panel discussion during Budapest Fintech Week: Shaping the Future of Fintech in CEE, organized by CzechTrade.

Michal Rampášek attended the event to share his insights on the challenges and opportunities surrounding cybersecurity and AI in the fintech sector. The discussion explored transformative trends in the financial technology landscape across Central and Eastern Europe, including regulatory innovation and the vital role of cybersecurity in building trust and driving growth.

We are proud to have Michal Rampášek contribute to this important dialogue and engage with industry leaders on shaping the future of fintech in the region.

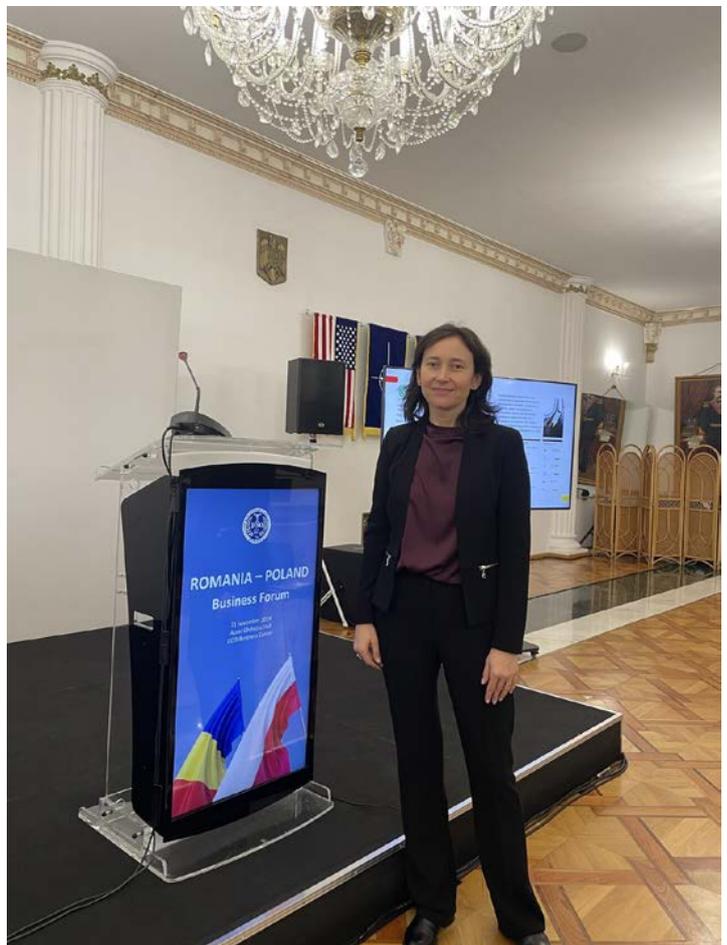


Strengthening Economic Ties Between Romania and Poland

Our Partner and Director for Romania, **Cosmina Romelia Aron** participated in the **Romania-Poland Business Forum**, an event that highlighted the strong and growing partnership between two dynamic economies in Central and Eastern Europe.

The forum provided a valuable platform for exploring bilateral trade and investment opportunities and facilitated engaging discussions with leading businesses across industries such as technology, manufacturing, and energy. It also served as an opportunity to explore how both countries can collaborate to address shared challenges and foster innovation in an ever-changing global landscape.

This forum marked another important step in strengthening the economic ties between Romania and Poland, and we look forward to continuing our work to support these relationships.



BULGARIA

Technical possibility to register a company with variable capital

The **Bulgarian Registry Agency** has finalized the technical measures enabling, in practice, the registration of a recently introduced new type of company in Bulgaria. Among other specific features, the capital of companies with variable capital is not fixed and is not subject to registration in the **Commercial Register**.

Amendments to Consumer Protection Act

A draft law introduces measures for the implementation of Regulation (EU) 2023/988 on general **product safety**. It also aims to ensure full compliance of the national legal framework with the requirements of Directive (EU) 2020/1828, and establishes a special framework for representative actions for the protection of the collective interests of consumers.

Proposed ban on construction of RE power plants in industrial parks

The draft law for the **Industrial Parks Act** proposes a ban on the construction of power plants using renewable energy sources in industrial parks, except for those intended for self-use. The objective is to continue promoting investments in manufacturing activities, which create jobs, and to prevent the reduction of areas designated for production purposes due to the construction of various types of renewable energy power plants aimed at selling electricity on the market.

Draft law amending Energy Act

A proposal has been submitted to postpone the liberalization of the electricity market for household consumers by an additional two years. The alleged purpose of this postponement is to ensure sufficient time for the implementation of the reform and to develop a methodology for compensation and support for households and vulnerable consumers.

CROATIA

Legal news

Improving gender balance of listed companies

In December 2024, the amendments of the **Croatian Companies Act** entered into force implementing an obligation to ensure balanced representation of both genders in supervisory and management boards of the listed companies. The obligation applies to the companies that meet quantitative criteria (more than 250 employees, revenue exceeding 50 million EUR, and total assets value of more than 43 million EUR). The companies that meet the described criteria must ensure that the underrepresented gender holds at least 40% of non-executive directorial positions or 33% of all directorial positions by June 30th, 2026.

New Regulation of the Court Documents Delivery

The purpose of the **Act on Delivery of Court Documents**, which entered into force on the first day of 2025, was the unification of the delivery procedure in court proceedings. In line with the current aim of judiciary system digitalization, special emphasis has been placed on the electronic delivery of documents, which is now prioritized over physical delivery. The provision of the new Act attempts to simplify the current delivery rules, facilitate the execution of delivery, and avoid public delivery via bulletin boards. In Croatia, electronic delivery is carried out via an electronic communication system to the recipient's secure electronic mailbox, known as e-Communication. The scope of persons and entities obliged to participate in electronic delivery has been increased several times (now including, among others, legal entities, natural persons carrying out registered business, public law authorities, and trade unions). Until the provisions on delivery of the laws regulating civil, administrative, criminal, and misdemeanour proceedings are harmonized with the new Act, the provisions of the aforementioned laws will be governing, after which the new Act will become fully applicable.

Collective Agreement for the Trade Activity

On November 1, 2024 the **Decision on the Extension of the Application of the Collective Agreement for the Trade Activity** came into force. This Decision has extended the application of the Collective Agreement to all employers registered under the National Classification of Activities for: Wholesale and retail trade in motor vehicles and motorcycles and repair of motor vehicles Wholesale trade, save trade in motor vehicles and motorcycles and Retail trade, save trade in motor vehicles and motorcycles.

CZECH REPUBLIC

Self-Scheduling of Working Hours Now Available Beyond Remote Work

Following an amendment to the **Labour Code**, as of 1 January 2025, employees are able to independently schedule their working hours based on a written agreement with their employer, regardless of where the work is performed. Such agreement allows flexibility while respecting legal limits, such as maximum shift length and mandatory rest periods. Agreements can be terminated with 15 days' notice or upon another agreed period.

Changes to Transfer of Ownership in Auctions

The new **Act on Public Auctions** introduces changes to the transfer of ownership in auctions. Previously, ownership passed to the highest bidder at the moment of the gavel strike, provided payment was made within the given time limit. Under the new Act, ownership of movables transfers only after payment, and for immovables the transfer occurs after registration in the land registry following payment. This introduces a time gap between the auction and transfer of ownership, creating potential legal uncertainty for bidders.

Financial Market Digitalization Act

The planned **Financial Market Digitalization Act** was approved by the Czech Chamber of Deputies and is currently being reviewed in the Senate. The Act implements the EU Markets in Crypto-Assets Regulation and introduces regulations for crypto-asset markets, enhances consumer protection, and designates the Czech National Bank as the supervisory authority. Key elements of the Act and related amending laws include professional qualifications for crypto service providers, stricter anti-money laundering rules, and income tax exemption for crypto held for over three years, subject to conditions. The Act is expected to be adopted and to become effective in February 2025.

Amendment to Whistleblower Protection Act

The **Czech Chamber of Deputies** has, along with the planned **Financial Market Digitalization Act**, also approved an amendment to the Whistleblower Protection Act that extends its obligations to certain crypto-asset traders. This includes entities offering or seeking to trade crypto-assets other than stablecoins, as well as issuers of asset-referenced tokens under the EU Markets in Crypto-Assets Regulation. These entities will be required to implement internal reporting systems as well as to comply with the other legal requirements set out in the Act. The amendment is expected to be adopted, and to become effective, in February 2025.

Amendment to Czech Immigration Law

The **Czech Chamber of Deputies** has approved an amendment to the “Lex Ukraine” immigration law that will extend temporary protection for Ukrainian refugees. However, the amendment still awaits Senate approval and presidential signature, delaying its anticipated effectiveness likely to late February 2025. As a result, holders of temporary protection visas will most likely not be able to register themselves for extensions until 1 March 2025, with a final deadline of 31 March 2025, leaving a relatively short registration window.

Flexi amendment to Labour Code

An expected amendment to the **Labour Code** aims to introduce higher flexibility in employment relationships. In particular, the amendment changes the start of the notice period to the date of delivery of the notice, extends the trial periods, reduces the notice period in the event of termination of employment due to breach of duties and regulations by the employee, and amends the termination grounds on the employer’s side. If approved, the amendment may become effective on 1 April 2025, or on 1 July 2025.

HUNGARY

New electronic land registry in Hungary (E-ING)

From 15 January 2025, a newly introduced **e-land registry** will provide a fully digital administrative process where applications for property registration are submitted and processed electronically and automated decision-making will be possible for straightforward transactions. While paper-based procedures will still be available for a transitional period, they are expected to be phased out within the first half of next year.

New version of statistical industrial classification of activities (NACE'25)

From 1 January 2025, companies need to be aware that the current version of the statistical industrial classification code of their activities will automatically change in the official company register. This also means that any company document (especially the deed of foundation or articles of association of the company) which includes these codes of activities has to be modified next year to reflect the updated scope of activities.

Digital Citizenship Programme

The Hungarian Government has introduced the **Digital Citizenship Programme** and several functions of its accompanying app have been made available for users. The main goals of the programme are to enable citizens to carry out more of their administrative tasks digitally, for them to be able to sign certain documents digitally, and for them to have the opportunity to collect and store copies of their various ID documents on their smart phones.

POLAND

New PKD classification

On 1 January 2025, a new **Polish Classification of Activity** (PKD) entered into force. PKD 2025 introduces new types of activities that have emerged in recent years. The new classification is intended to ensure the harmonization of economic statistics within the European Union and replaces the previous classification that had been in use since 2007. Entrepreneurs already conducting business activities (before 1 January 2025) have a two-year transitional period to adapt their codes to the new classification.

Implementation of Corporate Sustainability Reporting Directive (CSRD) into Polish legal system

On 17 December 2024, the President of Poland signed an act intended to implement the **CSRD** into the Polish legal system. This act introduces amendments to several existing laws and imposes additional obligations for entrepreneurs, inter alia, to prepare sustainability reports that are to be certified by specific auditors. It also adjusts the size thresholds for micro and small enterprises to align with the CSRD standards.

Transparency of remuneration

A draft act imposing additional obligations on employers with regard to the transparency of remuneration was publicized on 5 December 2024. According to the draft, employers will be obliged to, inter alia, include the proposed salary in published job offers and provide job candidates with certain pay-related information upon their request. For now, the draft is in an early, pre-parliamentary stage. The draft is intended to implement EU pay transparency law.

New gross minimum wage

As of 1 January 2025, **the gross minimum wage has been increased** to PLN 4,666 (approximately EUR 1,097). The minimum wage has been increased by PLN 366 compared to the minimum wage that had been in effect since 1 July 2024.

Draft amendment to Code of Commercial Companies

This amendment is primarily intended to strengthen **the protection of stockholders** and other market participants by improving the transparency and accessibility of information regarding entities maintaining stock registers. For now, the draft is in an early, pre-parliamentary stage and is expected to be adopted by the Council of Ministers in Q1 of 2025.

ROMANIA

New rules for establishing adequate minimum wages

As of 17 November 2024, there is a new mechanism for establishing adequate minimum wages for various sectors, whereby the minimum wage guaranteed for payment in Romania will be set and annually updated according to a detailed procedure involving certain criteria.

New gross minimum wage

On 1 January 2025, **the gross minimum wage was increased** to RON 4,050 (approximately EUR 810), based upon a normal working schedule.

New rules regarding corporate law

As of 6 December 2024, a general meeting of shareholders may be carried out online, the vote may be conducted online, and the decisions implemented within the general meeting may be signed using electronic signatures.

Evidence in labour disputes

As of the 18 October 2024, **phone recordings** between employees and their employer **are allowed to be used as evidence** in labour disputes against the employer, even if the other party was unaware of, or did not consent to the recording.

Changes with respect to trade of products

For economic operators having fixed premises, the authorization to operate will be issued for an undetermined duration. If any changes occur, a new authorization must be obtained within 30 calendar days, under the sanction of an administrative fine of up to RON 1,000 (approximately EUR 200) and the suspension of the activity of the legal entity.

SLOVAKIA

Transposition of EU's NIS2 Directive and CER Directive

In November 2024, the **Slovak Parliament** approved two key laws to transpose the **EU's NIS2 Directive** and **CER Directive**, aiming to enhance cybersecurity and critical infrastructure resilience. Both laws (Critical Infrastructure Act No. 367/2024 Coll. and the amended Cyber Security Act No. 69/2018 Coll.) are effective from 1 January 2025. These acts redefine the identification of essential service operators based on criteria like size, and introduce obligations for risk analysis, supply chain security, and minimum cybersecurity hygiene. They also expand coverage to new sectors and regulated services, ensuring improved information sharing on threats and incidents, thereby strengthening cyber resilience.

Changes in labour inspection

The amendment to the **Labour Inspection Act**, which comes into force on 1 February 2025, introduces a number of changes relating to labour inspection, primarily focusing on certain procedural deadlines. One of the most significant changes is the change in the deadline for the labour inspectorate to initiate proceedings within six months from the date of the completion of the inspection, but no later than three years from the date on which the breach of the obligation occurred.

Introducing gender balance rules in listed companies

Late last year, Slovakia transposed the **European Directive on Gender Balance on Corporate Boards** (2022/2381). A previously unregulated area is thus regulated by the new Act on Certain Measures Related to the Management of a Listed Company (No. 300/2024 Coll.) which aims to achieve a more equal representation of women and men in the management positions of a defined range of capital-intensive listed companies based in Slovakia. Companies are required to achieve defined gender balance targets by mid-2026 and comply with new reporting or publication obligations.

Amendments to Travel Reimbursement

Effective 1 January, 2025, the revised **Travel Allowances Act** introduces clearer guidelines regarding the use of private motor vehicles of employees for business travel. The amendment also sets out specific methods for calculating allowances related to energy consumption for electric and plug-in hybrid vehicles. Furthermore, it outlines a new process for the **Slovak Ministry of Finance** to announce adjustments to meal and travel allowances. The Ministry of Finance will now publish in the Official Journal a notification of the increased amounts and the date from which they will apply, sufficiently in advance to ensure predictability in the business environment.

New rules for calculation of minimum wage and collective bargaining

In addition to the increase of the gross minimum wage from 1 January 2025 to EUR 816, an amendment to the **Act on the Minimum Wage** was adopted, which establishes new rules for calculating the minimum wage from 2026, increasing the calculation base from the current 57% to 60% of the average nominal wage. The amendment to the Act on the Minimum Wage also includes an amendment to the Act on Collective Bargaining, which reinstates legislation (in force until February 2021) that strengthens collective bargaining by mandating that sectoral collective agreements are binding on all employers within the respective sector.

SLOVENIA

New Right to Disconnect When Employment Relationships Act Comes into Effect

Slovenia was one of the first countries to implement the right to disconnect into the **Employment Relationships Act**, with amendment ZDR-1D in November 2023. The right to disconnect allows employees to refrain from work-related tasks or communication outside working hours and aims to improve the balance between employees' professional and personal lives while safeguarding their health and well-being. Employers were required to implement appropriate measures regarding the right to disconnect by 16 November 2024.

New Hospitality Act to be Adopted, Focusing on Short-Term Rentals

The government is proposing a new **Hospitality Act** (ZGos-1), which will, among others, introduce new regulations for short-term rentals. Under the proposed changes, the rental of residential properties through platforms such as Airbnb or Booking.com will be limited to 30 days per year. These changes aim to address growing concerns regarding the impact of short-term rentals on the housing market and local communities.

New Law on Implementation of EU Crypto-Assets Markets Regulation (ZIUTK)

In November 2024, Slovenia enacted the Act on the Implementation of the **EU Crypto-Assets Markets Regulation** (ZIUTK), effective from 23 November 2024. This act provides a legal framework for the implementation of the EU's MiCA Regulation (Markets in Crypto-Assets), which fully came into force on 30 December 2024. The law covers various aspects of crypto-assets, including issuance, trading, and supervision, ensuring alignment with European regulations in this area.

UKRAINE

Martial law extended for 90 days

Martial law was extended on 10 November 2024 for 90 days. This means that all related restrictions will remain in place till 8 February 2025.

Changes for critically important companies

New criteria for recognizing companies as critically important ones were introduced. For the reservation of military-obliged employees from mobilization, all critically important companies must confirm their critically important status by 28 February 2025 in accordance with the current and new criteria.

Procedure of reservation of military-obliged employees from mobilization updated

From 1 December 2024, critically important companies may reserve military-obliged employees from being called to the army via the online portal "Diia" only. All current reservations are valid till 28 February 2025 only.

Licensing of export and import of goods in 2025

The Cabinet of Ministers approved the lists of goods of which exports and imports will be subject to licensing and quotas as of 1 January 2025. Among others, the lists include some types of precious metals, gas, and coal.



BULGARIA

Higher income to trigger obligation for VAT registration

As of 1 January 2025, the threshold for mandatory VAT registration is increased from a turnover of BGN 100,000 (approximately EUR 50,000) to BGN 166,000 (approximately EUR 85,000) over a period of not more than 12 subsequent months.

Lower VAT rates for certain goods and services no longer apply

As of 1 January 2025, the low VAT rates for the supply of bread, flour, and restaurant and catering services involved in food delivery no longer apply and are charged at the regular 20% VAT rate. As from the stated date, the limitation of a maximum 15%, excluding VAT, increase of the tax base indicated in the tax document issued by a bread maker or importer for the supply of bread along the supply chain to the final consumer does not apply.

New information to be provided upon company reorganization

In the case of company reorganization with the participation of, or into, a company from another EU Member state, the **National Revenue Agency** (NRA) should also be notified of outstanding public debts of the company and unfinished NRA audit procedures under which injunctive measures have been applied, as well as information on liability for third-party obligations and provided collateral to the NRA.

Automatic exchange of information in fast track-liquidation procedures

Under the new fast-track liquidation procedure, tax related information concerning an entity in liquidation is now automatically exchanged between the **Registry Agency** and the **National Revenue Agency** and **National Social Security Institute**.

Higher minimum wage

As of 1 January 2025, the minimum monthly wage in Bulgaria with a nominal week of five eight-hour working days is increased from BGN 933 (approximately EUR 508) to BGN 1077 (approximately EUR 550). The minimum hourly wage is set to BGN 6.49 (approximately EUR 3.32).

CROATIA

2025 Tax Reform

As of the beginning of 2025, Croatia introduced significant tax reforms that affect various areas and will impact the day-to-day life of natural persons and doing business in Croatia. The regulations on minimum wages, personal deductions, tax-free income, income tax, value-added tax, contributions, and many other aspects have been amended. The most prominent reform is the introduction of a real estate tax after many years of announcement and public debate. The real estate tax will replace the former holiday home tax and range from 0,6 to eight euros per square meter, in line with the decision of competent local authorities.



CZECH REPUBLIC

Employee stock option plans

In 2024, the moment of taxation was shifted to up to 10 years from the acquisition of shares or options. This was beneficial for start-ups but complicated for hundreds of multinational companies. In 2025 (and also retroactively in 2024), employers may opt for postponement (and inform the tax authorities accordingly) or for immediate taxation of employment income.

Limitation to tax exemption of income from sale of securities and shares in corporations from 2025

The time tests for personal income exemption remain the same, i.e., 3 years for securities and 5 years for shares in corporations. In 2024, there were no restrictions. In 2025, the income is exempt only to an amount not exceeding CZK 40 million. There is an option to set a higher cost price for tax purposes as a market price as of 31 December 2024 and effectively tax only the increase in value from 31 December 2024. Various tax calculations and scenarios for advances and instalments may apply.

New thresholds for 2025

The **threshold for the progressive tax rate** remains the same at 36 times the average salary. Since the average salary for 2025 amounts to CZK 46,557 (EUR 1,850), the progressive tax rate of 23% applies for income exceeding CZK 1,676,052 (EUR 66,600) in 2025. The progressive advance payments apply from monthly income in excess of CZK 139,671 (EUR 5,550) starting from the January 2025 salary.

The maximum annual assessment base for social security remains at **48 times** the average salary, i.e., CZK 2,234,736 (EUR 88,800) for 2025. No social security contributions are paid above this limit. The limit is observed by each employer. If the employee has several employers, and the total cap was exceeded, the employee may ask the social security authorities for a refund of his/her excess contributions within 5 years. If not, the entitlement expires.

Regarding agreements to perform work outside of an employment relationship, the threshold for mandatory social security and health insurance contributions will be CZK 11,500 (EUR 450) in 2025. The agreements concluded with one employer are counted together. Agreements concluded with other employers are not relevant.

HUNGARY

More favourable social contribution tax

From 1 August 2024, employers are able to claim a tax credit on social security contributions for employees entering the labour market, if the employee has been employed for a maximum of 92 days (instead of the previous 275 days) with social security obligations or has been self-employed or a member in a company for 365 days, prior to the month in which the beneficiary starts employment.



Tax exemption for contribution of intellectual property

From 1 January 2025, the creation of companies with innovative intellectual property with a market value will be encouraged by ensuring that, in the event of a transfer of intellectual property, the person who created the intellectual property (the original owner) will not be liable to pay tax on the value of the intellectual property as defined in the agreement.

No more tax on extra profits of airlines

The special tax on “extra profits” of airlines will be phased out from 1 January 2025. The last time airlines subject to the contribution needed to comply with the obligations was December 2024, according to the legislation currently in force.

POLAND

New Real Estate Tax Regime in Poland

On 1 January 2025, a new **Real Estate Tax** regime finally came into force in Poland. The changes introduced are considered a complete overhaul of the taxation of buildings and structures in Poland and provide for brand new definitions of objects that are subject to tax.

SAF-T reporting for CIT purposes (JPK_CIT)

From 1 January 2025 onwards, taxpayers whose taxable revenues exceed EUR 50 million are obliged to keep accounting books only in an electronic form and to send them without request to the tax office after the end of the tax year (JPK-CIT), by the deadline for filing the CIT-8 tax return (in practice, by 31 March 2026 for the year 2025).

Increase in limit for keeping accounting books

As of 1 January 2025, the revenue limit beyond which entrepreneurs must keep accounting books will increase. Individuals and partnerships will be required to keep accounting books only if they earn revenues equal to or exceeding €2.5 million (until the end of 2024, the limit was €2 million). The new limits will apply to the fiscal year beginning after 31 December 2024.

ROMANIA

New tax in oil and gas sector

Starting on 1 January 2025, Romanian or foreign legal entities that individually or in the form of an association deliver goods or provide services on the territory of Romania related to carrying out activities in the oil and natural gas sectors shall pay, in addition to the profit tax, a specific turnover tax.

Electronic invoicing also mandatory in B2C relationships

Beginning on 1 January 2025, economic operators – taxable persons established in Romania, regardless of whether or not they are registered for VAT purposes, for the supplies of goods and services that take place in Romania, performed in B2C relationships, are obliged to submit issued invoices to the RO e-Factura national system for electronic invoices.



Tax for special buildings

Starting on 1 January 2025, the **building tax** calculated by applying a rate of 1% on the value of buildings existing on a taxpayer's balance sheet on December 31 of the previous year shall also apply to buildings qualified as special, namely those buildings whose purpose is to create the conditions for production, storage and transport.

Dividend taxation

As of 1 January 2025, the dividend income received by natural persons will be taxed at a rate of 10%, as well as the dividend income distributed by one company to another.

Elimination of tax exemptions

Starting with 2025, the tax facilities granted to individuals realizing income from salaries (and similar to salaries), as a result of carrying out the activity of creating computer programs or from employers in the construction, agricultural and food industry sectors are eliminated.

SLOVAKIA

Introducing financial transaction tax

As of April 2025, Slovakia will introduce a new financial transaction tax as part of its public finance consolidation package, which will affect all companies and entrepreneurs. The financial transaction tax of 0.4 – 0.8% is levied on debit transactions, cash withdrawals and card payments, and is payable by the person making the payment. Selected payments will be exempt from tax.

Significant changes to value-added tax (VAT)

Starting from 1 January 2025, three new VAT rates apply in Slovakia. The changes will affect a range of goods and services. The general VAT rate will increase from 20% to 23%, a reduced rate of 19% will be applicable to selected food, electricity and water, while a reduced rate of 5% will be applicable to basic foodstuffs, medicines and medical supplies, newspapers and books.

Income Tax amendments

The public finance consolidation package introduces changes to income tax rates from 1 January 2025. For larger companies with taxable income exceeding EUR 5,000,000, the tax rate is increased from 21% to 24%. Conversely, smaller companies with taxable income up to EUR 100,000, will benefit from a reduced rate, decreasing from 15% to 10%. Additionally, withholding tax on dividends paid to individuals is reduced from 10% to 7%, applicable to dividends derived from profits earned in 2025 and subsequent years.

Extension of excise duty on smokeless tobacco products

From 1 February 2025, **smokeless tobacco** (e.g., heated products, chewing tobacco) and tobacco-related items (e.g., nicotine pouches, e-cigarette refills) will also be subject to **excise duty**. Related to that, retailers and other taxable entities engaged in the sale or distribution of these products, including e-commerce, will be required to obtain a business or distribution licence to trade or distribute these products legally.



SLOVENIA

Government Approves Proposal for Taxation of Residential Property

The government has approved a proposal for a tax on residential property to support housing policy. Primary residences where the owners actually reside would be exempt from taxation. A proposed tax rate of 1.45%, based on the generalized property value, would apply to additional properties. However, owners would be fully exempt from this tax if they have already paid an equal or higher amount under the rental income tax related to a concluded lease agreement.

UKRAINE

Increase to military tax rate

From 1 December 2024, the military tax rate for individuals was increased from 1.5% to 5%, to be withheld from their income. Also, from 1 January 2025, military tax will apply to a new category of taxpayers – payers of single tax (private entrepreneurs and legal entities).

New rules for calculation of unified social contribution

As of 1 January 2025, the maximum base for the unified social contribution will increase from 15 to 20 minimum salaries as established by law. This means that the maximum amount of the unified social contribution payable by the employer from the employee's salary becomes approximately 800 EUR/month.

Incentives for taxpayers with high level of voluntary tax compliance

The procedure for the formation and publication of the list of taxpayers with a high level of voluntary tax compliance was introduced in October 2024. The procedure is aimed at encouraging tax compliance by providing certain tax incentives.

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