**ANNEX 1**

**Form for claiming tax credit for employment in problem areas with high unemployment under Article 28 of the Promotion of Balanced Regional Development Act**

For the period from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

DETAILS OF TAXABLE PERSON

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(company name or full name of individual)

Tax number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Place where business is conducted \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (registered office or address)

amount in euros and cents

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Sequence no | Full name of unemployed worker | Tax number | Personal identification number (EMŠO) | Fulfilment of unemployed worker criteria | Date of commencement of employment relationship | Employee’s gross pay and employer’s contributions (II. gross) | 70% of gross pay and employer’s contributions (II. gross) | Amount of tax credit utilised |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 = 7 \* 0,7 | 9 |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  | Total |  |  |  |

\* Leave the grey fields blank.

The maximum permitted state aid may not exceed 50% of the wage costs of each unemployed worker. The amount of state aid is calculated by multiplying the amount of employment tax credit under this Regulation claimed by the taxable person in the tax return (for corporate income tax or tax on income from business activities) by the tax rate included in the tax return.

Taxable persons who are employers in activities in the fisheries, shipbuilding, energy, coal and agriculture sectors, and companies in difficulty as defined in Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on European Union, cannot claim this tax credit.

The employment of an unemployed worker in order to benefit from the tax credit must represent a net increase in the number of employees compared to the average over the past 12 months.

I declare that I will provide the required supporting documents without delay when asked to do so by the tax authority.

Full name of responsible person:

At ………………………………, ………………………………. Signature of responsible person:

**INSTRUCTIONS FOR COMPLETING THE FORM**

# Form for claiming tax credit for employment in problem areas with high unemployment (Article 28 of the Promotion of Balanced Regional Development Act)

The form for claiming tax credit for employment in problem areas with high unemployment should be completed by a taxable person who is claiming credit in accordance with Article 28 of the Promotion of Balanced Regional Development Act (Official Gazette of the Republic of Slovenia Nos 20/11, 57/12 and 46/16; hereinafter, ZSRR-2) and is established in and actually carries out their business activity in the problem area under ZSRR-2.

A taxable person may claim this credit if they employ an unemployed worker for a period of at least 12 months. An unemployed worker is any unemployed person who:

1. has not been in regular paid employment in the past 6 months,
2. is between 15 and 24 years old,
3. has not attained a vocational, technical or general secondary qualification, or has not obtained a first regular gainful employment within 2 years of completion of full-time education,
4. is over the age of 50,
5. lives as a single adult with one or more dependants, meaning that they are responsible for one or more children under the age of 26, if in full-time education, or whose spouse is unemployed,
6. will be employed in an activity (economic sector) where the gender imbalance is at least 25% higher than the average imbalance across all economic sectors in the Republic of Slovenia,
7. is a member of an ethnic minority,
8. is deemed to be a disabled person within the quota system for the employment of disabled persons.

Employment tax credit claimed by a taxable person under ZSRR-2 for an individual employee is precluded by credit for the employment of disabled persons under other laws.

Employment tax credit is precluded by a reduction of the taxable amount under Article 55b of the Corporate Income Tax Act (Official Gazette of the Republic of Slovenia Nos 117/06, 56/08, 76/08, 5/09, 96/09, 110/09 – ZDavP-2B, 43/10, 59/11, 24/12, 30/12, 94/12, 81/13, 50/14, 23/15, 82/15, 68/16, 69/17, 79/18, 66/19 and 172/21) and Article 61a of the Personal Income Tax Act (Official Gazette of the Republic of Slovenia Nos 13/11 [official consolidated text], 9/12 [Constitutional Court decision],

24/12, 30/12, 40/12 [ZUJF], 75/12, 94/12, 52/13 [Constitutional Court decision], 96/13, 29/14 [Constitutional Court decision], 50/14, 23/15, 55/15, 63/16, 69/17, 21/19, 28/19 and 66/19).

Taxable persons claiming this credit must complete this form and submit it together with the corporate tax return (DDPO), or the tax return on income tax on income from business activities (DohDej) as an integral part thereof, and in accordance with the instructions for filing the DDPO and DohDej.

Amounts in the form for claiming tax credit for employment in problem areas with high unemployment should be completed in euros and cents.

**Column 1 – Sequence number**

Column 1 contains the pre-printed sequence number of the unemployed worker being employed.

# Column 2 – Name and surname

Enter the full name of the employed unemployed worker for whom the taxable person is claiming the tax credit.

# Column 3 – Tax number

Enter the tax number of the employed unemployed worker for whom the taxable person is claiming the tax credit.

# Column 4 – EMŠO

Enter the personal identification number (EMŠO) of the employed unemployed worker for whom the taxable person is claiming the tax credit.

# Column 5 – Fulfilment of unemployed worker criteria

For each unemployed worker for whom the taxable person is claiming credit, the criterion on the basis of which they are regarded as unemployed must be indicated. If a single unemployed worker meets multiple criteria, all the criteria met by that worker should be indicated. The criteria are:

1. the unemployed person has not been in regular paid employment in the past 6 months,
2. the unemployed person is between 15 and 24 years old,
3. the unemployed person is registered as unemployed and has not attained a vocational, technical or general secondary qualification, or has not obtained a first regular gainful employment within 2 years of completion of full-time education,
4. the unemployed person is over 50 years old,
5. the unemployed person lives as a single adult with one or more dependants, meaning that they are responsible for one or more children under the age of 26, if in full-time education, or has a spouse who is unemployed,
6. the unemployed person will be employed in an economic sector where the gender imbalance is at least 25% higher than the average imbalance across all economic sectors in the Republic of Slovenia,
7. the unemployed person is a member of an ethnic minority,
8. the unemployed person is deemed to be a disabled person within the quota system for the employment of disabled persons.

**Column 6 – Date of commencement of employment relationship**

Enter the date of the end of the employment relationship, in DD.MM.YY format.

# Column 7 – Employee’s gross pay and employer’s contributions

Enter the amount of calculated gross pay for the employed unemployed worker and the employer’s contributions for this worker.

**Column 8 – 70% of gross pay and employer’s contributions**

Enter the amount of 70% of the gross pay and employer’s contributions entered in column 7.

# Column 9 – Amount of tax credit utilised

Enter a pro rata amount in relation to the actual use of the tax credit in the DDPO or DohDej return. The pro rata amount of the tax credit used for each unemployed worker is calculated with reference to the share of the gross pay and employer’s contributions of the individual unemployed worker in the total gross pay and employer’s contributions in respect of which the taxable person is claiming the tax credit (the figure in column 7 for each worker / sum of column 7 \* total amount of tax credit in the DDPO or DohDej return).

The total amount of column 9 must be equal to the amount of the tax credit in the DDPO or DohDej return.

The amount of state aid in a tax credit claim is determined in such a way that the amount of state aid is the difference between the amount of tax without the credit and the amount of tax with the credit. State aid must not exceed the maximum permitted amount of state aid. The maximum permitted amount of state aid granted in accordance with Article 28 ZSRR-2 is 50% of the individual worker’s wage costs calculated for each year. The wage costs of a worker referred to in Article 28(1) ZSRR-2 include gross pay and any compulsory employer’s contributions.