

# INSTRUCTIONS ON COMPLETING THE TAX RETURN FOR PROFIT FROM DISPOSAL OF SECURITIES AND OTHER HOLDINGS AND INVESTMENT COUPONS

## 1. INTRODUCTION

A taxable person other than a non-resident taxable person shall submit a tax return for profit from the disposal of securities and other holdings and investment coupons by 28 February of the current year for the preceding year. A non-resident taxable person shall submit a tax return within fifteen days of the date of the disposal of securities, other holdings and investment coupons, except in cases in which they declare all their disposals of securities, other holdings and investment coupons in the preceding year. In this case, a non-resident may submit a tax return by 28 February of the current year for the preceding year.

**A taxable person shall submit a tax return for profit from the disposal of securities and other holdings and investment coupons with the competent tax authority. Taxable persons shall submit their tax return in electronic form via the eDavki system if they have effected more than ten taxable disposals of such capital during the previous year. Taxable persons who have effected up to ten taxable disposals of such capital may file their tax return on paper or in electronic form via the eDavki system.** In this case, the taxable person requires a digital certificate (SIGEN-CA, POŠTA@CA, HALCOM CA, AC NLB). Please, find out more about the use of electronic tax operations via eDavki on the following website: <http://edavki.durs.si/OpenPortal/Pages/StartPage/StartPage.aspx>.

The following taxable persons need not submit a tax return:

- taxable persons who have disposed of their debt securities;
- taxable persons who have disposed of their equity holdings (other than debt securities) after 20 years;
- taxable persons who have incurred a profit or loss on the first disposal of shares or equity holdings acquired in the process of the ownership transformation of enterprises subject to the regulations governing the ownership transformation of enterprises. The first disposal also includes the first disposal of inherited shares or equity holdings acquired by the testator in the process of the ownership transformation of enterprises subject to the regulations governing the ownership transformation of enterprises;
- taxable persons who have made a profit from the disposal of investment coupons which the holder acquired by means of exchanging the shares of an authorised investment company or shares of an investment company developed from an authorised investment company during the process of compulsory transformation of the authorised investment company or of an investment company developed from an authorised investment company into a mutual fund, or during the process of the compulsory allocation of part of the authorised investment company's assets to the mutual fund within the time limit and pursuant to the regulations governing this area, provided that the taxable person has disposed of investment coupons acquired through the exchange of shares from the ownership transformation of enterprises for these investment coupons.

## 2. ENTERING INFORMATION UNDER POINT 1 – CODE NUMBER OF TAX RETURN STATUS

By entering a corresponding number, the status of the submitted tax return is marked according to its content or purpose and in accordance with the provisions of Articles 62 to 64 of the Tax Procedure Act (Official Gazette of the Republic of Slovenia, no. 13/11 – official consolidated text, 32/12, 94/12, 101/13 – ZDavNepr, 111/13, 22/14 – Decision of the Constitutional Court, 25/14 – ZFU, 40/14 – ZIN-B, 90/14 and 91/15; hereinafter referred to as the "ZDavP-2"). This field is left empty if the tax return is being submitted for the first time, or respectively, is completed only if the **tax return is filed according to provisions of the ZDavP-2 regulating the retrospective submission or correction of the tax return.**

### Code 1

The taxable person, having missed the deadline to file their tax return for justified reasons, may submit a proposal to the competent tax authority to retrospectively file the tax return, in accordance with Article 62 of the ZDavP-2. In this proposal, they must state the reasons for their delay and present evidence for their claims. Justified reasons are circumstances which the taxable person could not foresee or prevent and which made it impossible for him/her to complete or file their tax return within the prescribed time. The proposal for retrospective filing must be submitted by the taxable person within eight days after the reasons for the delay no longer obtain, but within a maximum of three months after the missed deadline. The taxable person should enclose their tax return with the submission for a subsequent submission of the tax return. If the

reasons preventing the completion or submission of a tax return still obtain, the taxable person may submit their proposal for a subsequent submission of the tax return without enclosing their tax return, but they must indicate the deadline by which their tax return will be submitted. If in this case the tax authority allows them to submit the tax return after the prescribed deadline, it shall define a new deadline by issuing a decision. A taxable person, submitting their tax return after the prescribed deadline on the basis of Article 62 of the ZDavP-2 should indicate the number 1 (filed after the deadline) under the heading "Code Number of Tax Return Status".

### **Code 2**

If a taxable person has missed the deadline to submit their tax return but does not fulfil the conditions for submitting the tax return after this prescribed deadline or if they have stated false, incorrect or incomplete information in their return on the basis of which the tax authority has already issued a tax assessment notice, they may, according to Article 63 of the ZDavP-2, submit their tax return as a self-declaration no later than until the delivery of the assessment notice or until the beginning of the tax audit or respectively until offence proceedings or criminal proceedings are initiated. According to Article 396 of the ZDavP-2, a taxable person who submits their tax return as a self-declaration shall not be charged with an offence if they pay the tax assessed on the basis of their self-declaration. A taxable person may not submit a new self-declaration for liabilities for which they have already filed a previous self-declaration. A taxable person submitting their tax return based on self-declaration in accordance with Article 63 of the ZDavP-2 should indicate the number 2 (self-declaration) under the heading "Code Number of Tax Return Status".

### **Code 3**

In accordance with Article 64 of the ZDavP-2, a taxable person may correct a tax return which they have submitted to the tax authority. The tax return may be corrected no later than the date when the tax assessment notice is issued. A taxable person correcting their tax return before the issue of an assessment notice should indicate the number 3 (correction prior to issue of assessment notice) under the heading "Code Number of Tax Return Status".

## **3. ENTERING INFORMATION UNDER POINT 2 – INFORMATION ABOUT THE TAXABLE PERSON**

Basic identification data (name and surname, tax identification number, residential address, electronic address, telephone number and the country of residence) is to be entered.

## **4. ENTERING INFORMATION UNDER POINT 3 – INFORMATION FOR A TAX RETURN FOR PROFIT FROM DISPOSAL OF SECURITIES AND OTHER HOLDINGS AND INVESTMENT COUPONS**

Taxable persons should enter the number of specification sheets for individual types of equity disposed of in the year in which they are subject to income tax assessment on profit realised by way of the disposal of securities and other holdings and investment coupons

## **5. ENTERING DATA UNDER POINT 4 – EXEMPTION FROM PAYMENT OF INCOME TAX ON PROFIT FROM CAPITAL DERIVED FROM THE DISPOSAL OF A HOLDING ON THE BASIS OF VENTURE CAPITAL INVESTMENT PURSUANT TO POINT 5 OF THE SECOND PARAGRAPH OF ARTICLE 96 OF ZDoh-2**

In accordance with point 5 of the second paragraph of Article 96 of the Personal Income Tax Act (Official Gazette of the Republic of Slovenia, no. 13/11 – official consolidated text, 9/Article 96(2)(5) of – ZUKD, 9/12 – Decision of the Constitutional Court, 24/12, 30/12, 40/12 – ZUJF, 75/12, 94/12, 96/13, 29/14 – Decision of the Constitutional Court and 50/14, hereinafter referred to as the ZDoh-2), personal income tax is not paid on profit on capital realised upon the disposal of a holding obtained on the basis of venture capital investment (investment in the form of increasing a company's equity capital by the taxable person's investment or establishment of a commercial company) in a venture capital company established in compliance with the act governing venture capital companies, provided that such a company had the status of a venture capital company throughout the period when the taxable person possessed the holding.

The taxable person should indicate if s/he wishes to claim this exemption. If "yes", the taxable person shall be deemed to have notified the tax authority.

## **6. ENTERING DATA UNDER POINT 5 – REDUCTION OF POSITIVE TAX BASE FOR RETAINED LOSS**

A taxable person should enter information on losses retained from previous years and sustained on the disposal of shares or holdings or subscribed contributions that they acquired prior to the disposal of new shares or holdings or subscribed contributions on the increase of share capital by means of the company's assets.

## **7. ENTERING DATA UNDER POINT 6 – REDUCTION OF POSITIVE TAX BASE OR PROFIT FOR LOSS INCURRED BY REAL PROPERTY DISPOSAL**

Taxable persons should enter information in the table when claiming the following:

- reduction of the positive tax base for capital gains on real property disposal for the loss incurred by the disposal of other real property (in this case, the taxable person should provide the information only under points 1, 2 and 6 of the form; in the case of real property disposal abroad for which tax has been paid abroad, taxable persons should also provide information under point 7 of the form, unless they have already claimed a reduction for the tax paid abroad in their tax return for assessment of capital gains tax on real property disposal);
- reduction of the positive tax base for profit from the disposal of securities and other holdings and investment coupons for losses incurred by real property disposal;
- reduction of the positive tax base for profit from real property disposal for losses incurred by the disposal of securities, other holdings and investment coupons.

Taxable persons should enter information about profit and loss incurred on the disposal of real property in the year for which income tax is being assessed.

Taxable persons should enter the reference number, the date of filing the tax return on profit from real property disposal, the number of the tax authority's decision, the established amount of profit or loss and the amount of assessed income tax.

## **8. ENTERING DATA UNDER POINT 7 – CLAIMING DEDUCTION OF TAX PAID ABROAD OR EXEMPTION**

**A resident** taxable person who earns income from profit from disposal of securities, other holdings and investment coupons, and if such income is subject to taxation outside Slovenia, may claim a deduction of an appropriate amount of tax paid abroad in their tax return for income tax assessment for profit from the disposal of securities, other holdings and investment coupons.

When a taxable person claims in their tax return for the assessment of tax on such income a deduction of tax paid abroad, an integral part of the tax return should also be appropriate evidence of payment of the tax liability outside the Republic of Slovenia, particularly of the amount of tax paid abroad, the taxable amount and whether the amount of tax paid abroad is final and actually paid. Documents issued by the tax authority of another country or other documents that clearly show that tax liability has been settled outside the Republic of Slovenia are appropriate evidence.

A resident taxable person should enter in the table information on the capital designation on which profit was generated abroad the amount of tax paid abroad, and the name of the country in which tax was charged and paid.

## **9. ENTERING DATA UNDER POINT 8 – REDUCTION OR EXEMPTION FROM INCOME TAX ON PROFIT DERIVED FROM THE DISPOSAL OF SECURITIES AND OTHER HOLDINGS AND INVESTMENT COUPONS SUBJECT TO THE PROVISIONS OF THE INTERNATIONAL CONVENTION ON THE AVOIDANCE OF DOUBLE TAXATION OF INCOME**

Non-resident taxable persons should indicate the paragraph and article number referred to in the international convention on the avoidance of double taxation between the Republic of Slovenia and another country on the basis of which they claim an exemption from income tax on profit from the disposal of securities, other holdings and investment coupons based on the provisions of the international convention on the avoidance of double taxation.

Non-resident taxable persons should attach to their tax return a certificate of residence issued by the competent body of the other state signatory to the convention proving that the taxable person is a resident of this other country in terms of the provisions of the international convention on the

avoidance of double taxation of Income signed between the Republic of Slovenia and this other country. The name of the other state signatory to the convention and the date of issue of the certificate (dd.mm.YYYY) should be entered.

## **10. ENTERING DATA IN THE SPECIFICATION LIST OF SECURITY OR INVESTMENT COUPONS**

A specification list for individual securities or investment coupons is an integral part of the tax return for the assessment of income tax on profit from disposal of securities, other holdings and investment coupons.

A specification list shall be completed for securities or investment coupons which were disposed of during the calendar year prior to the expiry of the twenty-year period from the date of their acquisition.

A taxable person should indicate on the specification list the security or investment coupon ISIN code, ticker or name, or the name of the issuer of the security or investment coupon.

In specification lists completed for securities disposed of abroad, the taxable person should tick the "YES" box when the capital gains tax was paid abroad.

In specification lists completed for the disposal of securities acquired prior to the disposal of new shares on equity capital increase by the company's own assets, the taxable person should tick the "YES" box for the purpose of subsequently carrying forward possible losses to the next tax period.

In specification lists completed for securities disposed of abroad, taxable persons should tick the "YES" box when the disposed security of a foreign company was acquired through the exchange of securities in accordance with the Council Directive 90/434/EEC of 23 July 1990 on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States (OJ L 225 of 20 August 1990, p. 142), amended by the Council Directive 2005/19/EC amending Directive 90/434/EEC on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States (OJ L 58 of 4 March 2005, p. 19), provided that such an exchange of shares was not declared by taxable persons in the period of the exchange (i.e. that upon the exchange of share in the past taxable persons decided to defer tax liability assessment).

In the specification completed by the taxable person for securities acquired on the basis of venture capital investment (investment in the form of increasing a company's equity capital by the taxable person's investment or establishment of a commercial company) in a venture capital company established in compliance with the act governing venture capital companies, provided that such a company had the status of a venture capital company throughout the period when the taxable person possessed the holding, should tick the "YES" box if they claim exemption from personal income tax payment.

Each security or investment coupon acquisition or disposal should be entered separately in the specification list for each type of security or investment coupon. Each security or investment coupon acquisition should be entered in a separate line by completing columns 1, 2, 3, 4, 5 and 8. Each security or investment coupon disposal should be entered in a separate line by completing columns 6, 7, 8, 9 and 10.

In column 1, enter the dates of security or investment coupon acquisition in chronological order, starting with the date of the first acquisition of the security or investment coupon disposed of prior to the expiry of the twenty-year period from the date of their acquisition.

In column 2, enter the method of acquisition according to the designation indicated in the form.

In column 3, enter the amount of the acquired securities or investment coupons in a particular transaction that is shown in the statement of transaction or other document evidencing the acquisition.

In column 4, enter the acquisition cost (per unit) for individual transactions as shown in the sales or other contract or proved by evidence submitted by the taxable person without the increase for

normalised expenses amounting to 1%. Special rules on determining the acquisition cost of capital also apply in the following cases:

- when the capital is acquired by way of transfer from the testator to their heirs or on the basis of a deed of donation, the acquisition cost of capital at the time of acquisition shall be considered to be the value for which the inheritance and gift tax was assessed; however, when no tax has been assessed, the comparable market value of the capital at the time of acquisition shall be taken into account;
- when the employer grants his employees the right to purchase, i.e. to acquire, shares at a discounted value, the acquisition cost of shares shall be the comparable market price per share on the date of acquisition;
- when the taxable person acquires shares during an increase in the equity capital by means of the company's own assets, the acquisition cost of such shares shall be considered zero;
- when a taxable person disposes of shares acquired at the time of an increase in the equity capital by means of the company's own assets in 2005 and 2006, and such an increase was subject to taxation as a dividend, the acquisition cost of shares so acquired shall be considered to be the face value per share at the time of ownership transformation;
- when investment coupons were acquired before 1 January 2003, the acquisition cost of investment coupons shall be considered their value of 1 January 2006;
- when securities were acquired before 1 January 2003, the acquisition cost of securities shall be considered to be their market value on 1 January 2006, which shall be proved by the taxable person with appropriate evidence; if there is no such evidence, the acquisition cost of securities shall be their book value as at 1 January 2006. If the actual acquisition cost of such securities proved by the taxable person with appropriate evidence exceeds the market value or the book value of 1 January 2006, the actual acquisition cost shall be considered;
- when the holder acquired investment coupons by means of an exchange of shares of an authorised investment company or shares of an investment company developed from an authorised investment company during the process of the compulsory transformation of the authorised investment company or of an investment company developed from an authorised investment company into a mutual fund, or during the process of the compulsory allocation of part of an authorised investment company's assets to a mutual fund, within the time limit and pursuant to the regulations governing this area, the acquisition cost of investment coupons shall be considered to be equal to the value determined on the basis of the acquisition cost of shares of an authorised investment company or an authorised investment company prior to ownership transformation or prior to the allocation of part of an authorised investment company's assets to a mutual fund, by taking into account the valid conversion rate on the exchange of shares of an authorised investment company or investment company for the investment coupons of a mutual fund;
- If shares of an authorised investment company or of an investment company developed from an authorised investment company were acquired on the secondary market before 1 January 2003, the acquisition cost of shares prior to the ownership transformation or prior to the allocation of part of an authorised investment company's assets shall equal the comparable market price of shares as at 1 January 2006.

The purchase value in foreign currency shall be recalculated in euros according to the foreign currency exchange rate published by the Bank of Slovenia. The conversion shall be made according to the rate of exchange that applied on the date of acquisition of the capital.

In column 5, enter the amount of inheritance and gift tax paid by the taxable person at the time of acquisition of securities or investment coupons.

In column 6, enter the date of disposal of securities or investment coupons as shown in sales or other contracts and evidence.

In column 7, enter the amount of the disposed securities or investment coupons that is shown in the statement of transaction or other document evidencing the disposal.

In column 8, enter the calculated stock of securities or investment coupons. Stock of this type of capital shall be managed according to the FIFO method.

In column 9, enter the value of securities disposed of or investment coupons per unit, as shown in the sales or other contracts and evidence without the reduction for normalised expenses amounting to 1%.

The value of capital upon disposal in foreign currency shall be recalculated in euros according to the foreign currency exchange rate published by the Bank of Slovenia. The conversion shall be made according to the rate of exchange that applied on the date of disposal of the capital.

In column 10, enter "YES" if the condition for reducing the positive tax base has been complied with, or "NO" when this condition is not satisfied.

The negative difference (loss) incurred by the disposal of capital does not reduce the positive tax base in the following cases:

- when, within 30 days prior to the disposal of capital or after, the taxable person acquires substitute capital of essentially the same nature or the right to buy, or an obligation to acquire capital of this kind;
- a taxable person disposes of capital, and the taxable person's family or a legal entity in which the taxable person has a holding or a right to a holding amounting to at least 25% expressed in terms of the value of all holdings, or as a voting right based on holdings of a particular person, directly or indirectly acquires capital of the same nature.

## **11. ENTERING DATA IN THE SPECIFICATION LIST OF SECURITY FOR SHORT SALE**

A specification list for individual securities is an integral part of the tax return for assessment of income tax on profit from the disposal of securities, other holdings and investment coupons.

A specification list shall be completed for securities which were acquired during the calendar year prior to the expiry of the twenty-year period from the date of their disposal.

A taxable person should indicate on the specification list the security ISIN code, ticker or name, or the name of the issuer of the security.

In specification lists completed for securities for short sale performed abroad, the taxable person should tick the "YES" box when the capital gains tax was paid abroad.

Each security acquisition or disposal should be entered separately in the specification list for each type of security. Each security disposal should be entered in a separate line by completing columns 1, 2, 3 and 7. Each security acquisition should be entered in a separate line by completing columns 4, 5, 6, 7, 8 and 9.

In column 1, enter the dates of disposal of securities as shown in the sales or other contracts and evidence, in chronological order, starting with the date of the first disposal of a security.

In column 2, enter the amount of the disposed securities that is shown in the statement of transaction or other document evidencing disposal.

In column 3, enter the capital value of the security on disposal (per unit), as shown in the statement of disposal performed or other document evidencing the value on disposal without the reduction for normalised expenses amounting to 1%.

The value of the security upon disposal in a foreign currency shall be recalculated in euros according to the foreign currency exchange rate published by the Bank of Slovenia. The conversion shall be made according to the rate of exchange that applied on the date of disposal of security.

In column 4, enter the dates of security acquisition in chronological order, starting with the date of the first acquisition of a security.

In column 5, enter the method of acquisition according to the designation indicated in the form (A, B, C, D).

In column 6, enter the amount of acquired securities in a particular transaction that is shown in the statement of transaction or other document evidencing the acquisition.

In column 7, enter the calculated stock of securities.

In column 8, enter the acquisition cost of the security on acquisition (per unit) obtained in a transaction and shown in the statement of acquisition performed or other document evidencing

the acquisition cost on acquisition without the increase for normalised expenses amounting to 1%.

The purchase value of security in foreign currency shall be converted to euros according to the Bank of Slovenia's published rate of exchange. The conversion shall be made according to the rate of exchange that applied on the date of acquisition of the security.

In column 9, enter the amount of inheritance and gift tax paid by the taxable person at the time of the acquisition of the security.

## **12. ENTERING DATA IN THE SPECIFICATION LIST OF SECURITY MANAGED BY A STOCKBROKING COMPANY BASED ON MANAGEMENT CONTRACT**

Specification lists for individual securities managed by a brokerage company under a securities management agreement is an integral component of the tax return for income tax assessment on profit from the disposal of securities, other holdings and investment coupons.

A specification list should be completed when a taxable person keeps a separate record of the stock of inventories managed by a brokerage company under a securities management agreement.

A specification list shall be completed for securities which were disposed of during the calendar year prior to the expiry of the twenty-year period from the date of their acquisition.

A taxable person should indicate on the specification list the security or investment coupon ISIN code, ticker or name, or the name of the issuer of the security or investment coupon.

In specification lists completed for securities disposed of abroad, the taxable person should tick the "YES" box when the capital gains tax was paid abroad.

In specification lists completed for the disposal of securities acquired prior to the disposal of new shares on equity capital increase by the company's own assets, the taxable person should tick the "YES" box for the purpose of subsequently carrying forward possible losses to the next tax period.

In specification lists completed for securities disposed of abroad taxable persons should tick the "YES" box when the disposed security of a foreign company was acquired through exchange of security in accordance with Council Directive 90/434/EEC of 23 July 1990 on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States (OJ L 225 of 20 August 1990, p. 142), amended by the Council Directive 2005/19/EC amending Directive 90/434/EEC on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States (OJ L 58 of 4 March 2005, p. 19), provided that such exchange of shares was not declared by taxable persons in the period of the exchange (i.e. that upon the exchange of share in the past taxable persons deferred tax liability assessment).

In the specification completed by the taxable person for securities acquired on the basis of venture capital investment (investment in the form of increasing a company's equity capital by the taxable person's investment or establishment of a commercial company) in a venture capital company established in compliance with the act governing venture capital companies, provided that such a company had the status of a venture capital company throughout the period when the taxable person possessed the holding, should tick the "YES" box if they claim exemption from personal income tax payment.

Each acquisition and disposal of securities should be recorded in the specification list. Each security acquisition should be entered in a separate line by completing columns 1, 2, 4, 3, 4, 5 and 8. Each security disposal should be entered in a separate line by completing columns 6, 7, 8, 9 and 10.

In column 1, enter the date of acquisition of security in chronological order, starting with the date of the first acquisition of the security disposed of prior to the expiry of the twenty-year period from the date of their acquisition.

In column 2, enter the method of acquisition according to the designation indicated in the form.

In column 3, enter the amount of acquired securities in a particular transaction that is shown in the statement of transaction or other document evidencing the acquisition.

In column 4, enter the acquisition cost (per unit) for individual transactions as shown in the sales or other contract or proved by evidence submitted by the taxable person without the increase for normalised expenses amounting to 1%. Special rules on determining the acquisition cost of capital also apply in the following cases:

- when the capital is acquired by way of transfer from the testator to their heirs or on the basis of a deed of donation, the acquisition cost of capital at the time of acquisition shall be considered to be the value for which the inheritance and gift tax was assessed; however, when no tax has been assessed, the comparable market value of the capital at the time of acquisition shall be taken into account;
- when the employer grants his employees the right to purchase, i.e. to acquire, shares at a discounted value, the acquisition cost of shares shall be the comparable market price per share on the date of acquisition;
- when the taxable person acquires shares during an increase in the equity capital by means of the company's own assets, the acquisition cost of such shares shall be considered zero;
- when a taxable person disposes of shares acquired at the time of an increase in the equity capital by means of the company's own assets in 2005 and 2006, and such an increase was subject to taxation as a dividend, the acquisition cost of shares so acquired shall be considered to be the face value per share at the time of ownership transformation;
- when securities were acquired before 1 January 2003, the acquisition cost of securities shall be considered to be their market value on 1 January 2006, which shall be proved by the taxable person with appropriate evidence; if there is no such evidence, the acquisition cost of securities shall be their book value as at 1 January 2006. If the actual acquisition cost of such securities proved by the taxable person with appropriate evidence exceeds the market value or the book value of 1 January 2006, the actual acquisition cost shall be considered;
- If shares of an authorised investment company or of an investment company developed from an authorised investment company were acquired on the secondary market before 1 January 2003, the acquisition cost of shares prior to the ownership transformation or prior to the allocation of part of an authorised investment company's assets shall equal the comparable market price of shares as at 1 January 2006.

The purchase value in foreign currency shall be recalculated in euros according to the foreign currency exchange rate published by the Bank of Slovenia. The conversion shall be made according to the rate of exchange that applied on the date of acquisition of the capital.

In column 5, enter the amount of inheritance and gift tax paid by the taxable person at the time of the acquisition of securities.

In column 6, enter the date of disposal of security as shown in sales or other contracts and evidence.

In column 7, enter the amount of the disposed securities that is shown in the statement of transaction or other document evidencing the disposal.

In column 8, enter the calculated stock of securities. Stock of this type of capital shall be managed according to the FIFO method.

In column 9, enter the value of securities disposed of per unit, as shown in the sales or other contracts and evidence without the reduction for normalised expenses amounting to 1%.

The value of capital upon disposal in foreign currency shall be recalculated in euros according to the foreign currency exchange rate published by the Bank of Slovenia. The conversion shall be made according to the rate of exchange that applied on the date of disposal of the capital.

In column 10, enter "YES" if the condition for reducing the positive tax base has been complied with, or "NO" when this condition is not satisfied.

The negative difference (loss) incurred by the disposal of capital does not reduce the positive tax base in the following cases:

- when, within thirty days prior to the disposal of capital or after, the taxable person acquires substitute capital of essentially the same nature, or the right to buy or an obligation to acquire capital of this kind;

- a taxable person disposes of capital, and the taxable person's family or a legal entity in which the taxable person has a holding or a right to a holding amounting to at least 25% expressed in terms of the value of all holdings, or as a voting right based on holdings of a particular person, directly or indirectly acquires capital of the same nature.

### **13. ENTERING DATA IN THE SPECIFICATION LIST OF SECURITY FOR SHORT SALES MANAGED BY A STOCKBROKING COMPANY BASED ON A MANAGEMENT CONTRACT**

A specification list for individual securities is an integral part of the tax return for assessment of income tax on profit from the disposal of securities, other holdings and investment coupons.

A specification list shall be completed for securities which were acquired during the calendar year prior to the expiry of the twenty-year period from the date of their disposal.

A taxable person should indicate on the specification list the security ISIN code or ticker of the security or the name of the issuer of the security.

In specification lists completed for securities for short sale performed abroad, the taxable person should tick the "YES" box when the capital gains tax was paid abroad.

Each security acquisition or disposal should be entered separately in the specification list for each type of security. Each security disposal should be entered in a separate line by completing columns 1, 2, 3 and 7. Each security acquisition should be entered in a separate line by completing columns 4, 5, 6, 7, 8 and 9.

In column 1, enter the dates of disposal of securities as shown in the sales or other contracts and evidence, in chronological order, starting with the date of the first disposal of a security.

In column 2, enter the amount of the disposed securities that is shown in the statement of transaction or other document evidencing disposal.

In column 3, enter the capital value of the security on disposal (per unit), as shown in the statement of disposal performed or other document evidencing the value on disposal without the reduction for normalised expenses amounting to 1%.

The value of the security upon disposal in a foreign currency shall be recalculated in euros according to the foreign currency exchange rate published by the Bank of Slovenia. The conversion shall be made according to the rate of exchange that applied on the date of disposal of security.

In column 4, enter the dates of security acquisition in chronological order, starting with the date of the first acquisition of a security.

In column 5, enter the method of acquisition according to the designation indicated in the form (A, B, C, D).

In column 6, enter the amount of acquired securities in a particular transaction that is shown in the statement of transaction or other document evidencing the acquisition.

In column 7, enter the calculated stock of securities.

In column 8, enter the acquisition cost of the security on acquisition (per unit) obtained in a transaction and shown in the statement of acquisition performed or other document evidencing the acquisition cost on acquisition without the increase for normalised expenses amounting to 1%.

The purchase value of security in foreign currency shall be converted to euros according to the Bank of Slovenia's published rate of exchange. The conversion shall be made according to the rate of exchange that applied on the date of acquisition of the security.

In column 9, enter the amount of inheritance and gift tax paid by the taxable person at the time of the acquisition of the security.

### **14. ENTERING DATA IN THE SPECIFICATION LIST OF HOLDINGS IN COMMERCIAL COMPANIES, COOPERATIVES AND OTHER FORMS OF ORGANISATION**

The specification of holdings in companies, cooperatives and other types of organisations shall be integral parts of the tax return for the assessment of income tax on profit from the disposal of securities, other holdings and investment coupons.

Specification lists shall be completed for shares in companies, cooperatives and other types of organisations that were disposed of during the calendar prior to the expiry of the twenty-year period from the date of their acquisition.

Taxable persons should indicate in the specification list the name of the company, cooperative or other type of organisation.

In specification lists completed for holdings disposed of abroad, taxable persons should tick the "YES" box when capital gains tax has been paid abroad.

In specification lists completed for the disposal of holdings acquired prior to the disposal of new shares on equity capital increase by the company's own assets, the taxable person should tick the "YES" box for the purpose of subsequently carrying forward possible losses to the next tax period.

In specification lists completed for holdings in a commercial company disposed of abroad taxable persons should tick the "YES" box when the disposed holding in a foreign company was acquired through the exchange of a holding in accordance with the Council Directive 90/434/EEC of 23 July 1990 on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning the companies of different Member States (OJ L 225 of 20 August 1990, p. 142), amended by Council Directive 2005/19/EC amending Directive 90/434/EEC on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States (OJ L 58 of 4 March 2005, p. 19), provided that such exchange of shares was not declared by taxable persons in the period of the exchange (i.e. that upon the exchange of share in the past, taxable persons deferred the tax liability assessment).

In the specification completed by the taxable person for holdings in a commercial company acquired on the basis of venture capital investment (investment in the form of increasing a company's equity capital by taxable person's investment or establishment of a commercial company) in a venture capital company established in compliance with the act governing venture capital companies, provided that such a company had the status of a venture capital company throughout the period when the taxable person possessed the holding, the taxable person should tick the "YES" box if they claim for exemption of personal income tax payment.

Each acquisition or equity holding increase and each disposal of holding should be indicated in the specification list. In the case of a personal company, the acquisition of a holding is also the increase of equity due to the increase of profit in share capital. Each holding acquisition or increase should be entered in a separate line by completing columns 1, 2, 3 and 4. Each disposal of holding should be entered in a separate line by completing columns 5, 6, 7 and 8.

In column 1, enter the dates of acquisition of holdings in companies, cooperatives and other types of organisation in chronological order, starting with the date of the first acquisition of a holding, regardless of whether it was increased or reduced in the past.

In column 2, enter the method of acquisition according to the designation indicated in the form.

In column 3, enter the acquisition cost for holdings on their acquisition or increase as shown in the sales or other contract or proved by evidence submitted by the taxable person without the increase for normalised expenses amounting to 1%. Special rules on determining the acquisition cost of capital also apply in the following cases:

- when the capital is acquired by way of transfer from the testator to their heirs or on the basis of a deed of donation, the acquisition cost of capital at the time of acquisition shall be considered to be the value for which the inheritance and gift tax was assessed; however, when no tax has been assessed, the comparable market value of the capital at the time of acquisition shall be taken into account;
- when the employer grants his employees the right to purchase, i.e. to acquire, holdings at a discounted value, the acquisition cost of holdings shall be the comparable market price per holding on the date of acquisition;

- when the taxable person acquires a holding or subscribed contribution during an increase in the equity capital by means of the company's own assets, it shall be considered that the purchase value of such an increased holding or subscribed contribution equals zero;
- when a taxable person disposes of holdings acquired during an increase of equity capital by means of the company's own assets in 2005 and 2006, and such an increase was subject to taxation as dividend, the acquisition cost of the holdings so acquired or increased shall be considered to be the face value of the acquired or increased holding at the time of ownership transformation.
- when holdings were acquired before 1 January 2003, the acquisition cost of securities shall be considered to be their market value on 1 January 2006, which shall be proved by the taxable person with appropriate evidence; if there is no such evidence, the acquisition cost of securities shall be their book value as at 1 January 2006. If the actual acquisition cost of such holdings proved by the taxable person with appropriate evidence exceeds the market value or the book value of 1 January 2006, the actual acquisition cost shall be considered;
- when a taxable person's equity holding in a partnership increases as a result of profit added to such a holding performed on 26 April 2014 or subsequently, it shall be considered that the acquisition cost of the holding so increased shall be considered zero (Decision of the Constitutional Court U-I-175/11-12 of 10 April 2014 (Official Gazette of the Republic of Slovenia, no. 29/14 of 25 April 2014)).

The purchase value of the holding in foreign currency shall be converted to euros according to the Bank of Slovenia's published rate of exchange. The conversion shall be made according to the rate of exchange that applied on the date of acquisition of the capital.

In column 4, enter the amount of inheritance and gift tax paid by the taxable person at the time of acquisition of the capital.

In column 5, enter the date of disposal of holdings as shown in the sales or other contracts and evidence.

In column 6, enter the percentage of total holdings in relation to capital.

In column 7, enter the value of holdings (balance) after disposal.

In column 8, enter the capital value of a holding disposed of, as shown in the sales or other contracts and evidence without the reduction for normalised expenses amounting to 1%. Upon the payment of holding in the profit to the company partner in a personal company written off from their share capital, the amount of payment without the reduction for normalised expenses amounting to 1% shall be entered.

The capital value on disposal in a foreign currency shall be converted into euros at the Bank of Slovenia's rate of exchange. The conversion shall be made according to the rate of exchange that applied on the date of disposal of the holding.

In column 9, enter "YES" if the condition for reducing the positive tax base has been complied with, or "NO" when this condition is not satisfied.

The negative difference (loss) incurred by the disposal of capital does not reduce the positive tax base in the following cases:

- when, within thirty days prior to the disposal of capital or after, the taxable person acquires substitute capital of essentially the same nature, or the right to buy or an obligation to acquire capital of this kind;
- a taxable person disposes of capital, and the taxable person's family or a legal entity in which the taxable person has a holding or a right to a holding amounting to at least 25% expressed in terms of the value of all holdings, or as a voting right based on holdings of a particular person, directly or indirectly acquires capital of the same nature.