

## INSTRUCTIONS FOR FILLING IN THE FORM

Requests for reduction of or exemption from tax on royalties, based on the provisions of a treaty on avoidance of double taxation of income, are made under Articles 260 and 266 of the Tax Procedure Act (Uradni list RS (Official Gazette of the Republic of Slovenia), No 117/06), in conjunction with Article 130 of the Personal Income Tax Act (Uradni list RS, No 117/06 hereinafter: ZDoh-2) and Article 70 of the Corporate Income Tax Act (Uradni list RS, No 117/06 hereinafter: ZDDPO-2).

The recipient of royalties must submit the completed form to the payer of royalties before the royalties are paid. The payer of royalties must submit the completed form to the Financial Administration of the Republic of Slovenia. The tax authority should take a decision on the request no later than within 15 days of receipt of the request. The person liable to pay tax may pay royalties and calculate tax at a lower rate than stipulated by law (ZDoh-2 and ZDDPO-2), or not calculate and deduct tax from royalties, only after having received confirmation of the request granted by the tax authority.

A new request must be submitted for each payment of royalties. In cases where the person liable to pay tax pays out royalties at regular intervals, the tax authority may grant benefits for a longer period of time. Please complete the form legibly, using capital letters.

**1. Recipients of income** must indicate the country with which the Republic of Slovenia has concluded a treaty on avoidance of double taxation of income, as well as the article and paragraph of the treaty on the basis of which they are submitting the request. Enter an X in the appropriate box to the right to indicate whether you claim the reduced tax rate (in this case, enter the tax rate) or exemption from tax.

### **2. Details of the recipient of royalties**

Enter the name and surname or registered name of the recipient of royalties. Individuals must provide residence information (town, street name, house number and postcode) and indicate the country of which they are citizens. If recipients of income are a company or other entity or an association of persons subject to foreign law, they should enter their registered office and place of effective management. Recipients of income must also enter the name of the country of which they are residents for tax purposes (the competent authority of the country of residence should complete Section 7), as well as the tax identification number or other identification number. Indicating these two numbers is not compulsory. Where the recipient of income is a non-resident's permanent establishment in the Republic of Slovenia, this should be appropriately marked with an X in the YES box. In this case, enter the name, registered office and business activity of the permanent establishment. If the permanent establishment does not have a registered office, enter only its location. Where the recipient of income is not a permanent establishment, this should be marked with an X in the NO box; in this case the sections on the right need not be completed.

### **3. Details of the payer of royalties (person liable to pay tax)**

Enter the registered name, legal/organisational form and registered office of the person liable to pay tax. Information on share capital must be provided where the reduced tax rate, which in accordance with the provisions of the Treaty is subject to the defined participation in the payer's capital or management, is claimed. Enter the tax identification number of the person liable to pay tax.

### **4. Details of royalties received from the payer to which the treaty mentioned in Item 1 is applicable**

Enter an X in the appropriate box to indicate whether royalties were received on the basis of copyright, industrial property rights or any other basis. Indicate the type of income. The description must clearly show that the income is subject to the benefits provided for in the treaty. Enter the recipient of income's share in the payer (in %). Information on the share should be provided where the reduced tax rate, which in accordance with the provisions of the treaty is subject to the defined participation in the payer's capital or management, is claimed. Enter the due date of payment in the form at mm/dd/yy and the amount of royalties received in euros, rounded to two decimal places.

### **5. Other**

Enter any other information.

**7.** To be completed by the competent authority of the country of which the recipient of royalties is a resident for tax purposes.

**Enclosures:** \*The relevant enclosure should be submitted if the degree of participation in the company's capital or management is a prerequisite for claiming a reduced tax rate under the treaty.