

Legislative regulations governing the conversion to euro currency

Just a few days are left until the adoption of the euro on 1st January 2009. Slovakia will become the youngest member of the Eurozone. We were interested in legislative regulations governing the conversion to euro currency.

- Act no. 659/2007 Coll. on implementation of euro currency in SR

This Act governs some of the measures and procedures related to the preparation for implementation and to the implementation of euro currency in Slovak republic as the exclusive legal medium of exchange, single currency and currency unit according to legally binding acts of European Communities.

- The objective of the Act is to ensure the organised and fluid procedure to the change of legal money and currency unit in Slovak republic as a result of transition to euro
- To prevent an increase of inflation resulting from the transition to euro.
- To ensure protection of economic interests of citizens and consumers at the transition to euro.
- To preserve the continuity of existing legal relationships and to achieve price neutrality at conversion and calculation of money, prices, payments and other financial and property values from Slovak currency to euro. As well as to allow natural persons and legal entities to prepare and adapt gradually to assess the real value of incomes, expenses, prices, payments and costs for living in euro based on the dual projection of prices, payments and other values.

- Regulation of the MoF of SR no. 75/2008 Coll., which sets the rules for reporting, calculation and rounding of the monetary sums in connection with the transition to euro for the accounting, taxes and customs purposes.

This regulation governs the detailed rules at registering, reporting or rounding of data on monetary sums and detailed method of calculation of monetary data in connection with the transition to euro for the area of accounting, income tax, value added tax, consumption taxes, local taxes, tax administration, customs.

- Regulation of the MJ of SR no. 246/2008 Coll. on rules and methods at conversion of nominal value of contributions to capital assets and the nominal value of capital assets from Slovak currency to euro

The Regulation sets the method of conversion, calculation and rounding of the nominal value of partner contributions, nominal value of the membership contributions, founder contributions or other capital contributions which constitute shares on capital assets of legal entities from Slovak currency to euro.

The obligation to submit a proposal for making an entry of the conversion of nominal value of contributions to capital assets and the nominal value of capital assets of trading companies and associations including the core assets of public companies from Slovak currency to euro currency into the Companies register and within one year after implementation of euro in Slovak republic. The proposal is to be submitted on a form (poses an attachment to the Regulation) with notary certified signatures of authorized persons.

- Regulation of the NBS no. 240/2008 Coll., which determines the number of decimal places at rounding at the conversion of nominal value of some types of securities from Slovak currency to euro

The Regulation determines the method for conversion of nominal value of commercial securities except for the allotment certificates from Slovak currency to euro.

- Regulation of the MLSAF of SR no. 251/2008 Coll.

This Regulation governs additional detailed rules for dual projection of prices, payments and other values and for conversions and rounding of prices, unit prices, payments and other values at the transition from Slovak currency to euro currency for the area of salaries, wages and other remuneration for

work, travel reimbursement, employment services, social insurance, retirement pension saving, subsistence level, state social benefits, poverty assistance, other social benefits, social aid, social-law protection of children and social curatorship

- Upcoming government Amendment to the Act on accounting (Act no. 431/2002 Coll.) – print no. 743 (the Amendment was not yet negotiated and approved by the National Council of SR)

The Amendment determines the methods at closing the accounting books to the day which immediately precedes the day of implementation of euro currency (December 31st 2008) and at their opening to the day of euro implementation (January 1st 2009), the use of the exchange rate at calculation of assets, liabilities and own assets, the obligation of stocktaking of the fixed assets to December 31st 2008, and the solution for rounding related variances in the accounting.

Other regulations responding to the transition to euro

- Changes in connection with the Act on VAT.

After January the 1st, there will be a lowering of the yearly turnover limit, at which the obligation to report for taxpayer arises (the limit set on 1.5 million crowns will be lowered to some 35000 euro after the transition to euro).

- Regulation of the MoF of SR no. 55/1994 Coll. on the manner of keeping the evidence of revenues by means of electronic cash register on its later amendment governs the requisites of the document drawn up by electronic cash register in connection with the transition to euro as well (the Regulation will be replaced by Act on the use of electronic cash register no. 289/2008 Coll.). Each cash register will need a new certificate, which is issued by the Electro-technical Research and Project Institute in Nová Dubnica. This shall state whether the cash register is ready for the

implementation of euro and whether it meets the condition of the Ministry of Finance. In connection with the transition to euro in the area of finances, the Act from the October 28th 2008, which amends the acts in the domain of the Ministry of Finance of SR with respect to implementation of euro in Slovak republic, will be published in the Legal Code in the near future. In the area of private law the implementation of euro will not affect the validity of existing contracts, only the amounts listed in them in Slovak crowns will be automatically calculated to euro by the exchange rate after rounding to two decimal places. In case the contracts contain interest rates tied to BRIBOR, these will be automatically changed to EURIBOR.

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Bratislava will be completing its priorities and investment projects until 2010

"When completing its priorities and investment projects until 2010 the capital city of the Slovak republic, Bratislava concentrated in particular on the areas of restoration of cultural-historical monuments, sport facilities, property of Bratislava ZOO and public green areas" said the mayor of Bratislava Andrej Ďurkovský. The city would like to invest by 2010 80 mil Sk (2.655 mil €) in park modifications, almost 50 mil Sk (1.66 mil €) in the construction of cycling tracks, 8 mil Sk (265 thousand €) in the termination of the construction of Lamač swimming pool, 33 mil Sk (1,095 mil €) for the reconstruction and maintenance of sport facilities. For the revitalization of the territory between Veľký a Malý Draždiak the city intends to spend 130 mil Sk (4,315 mil €). The termination of the construction of the pavilion of primates of Bratislava ZOO will require 50 mil Sk (1,66 mil €). The realization of the given investment projects by 2010 would require in total investments in an amount exceeding 350 mil Sk (11,618 mil €). The city will spend another almost 400 mil Sk (13,277 mil €)



on the reconstruction of cultural historical monuments. "Environmental issues are very actual on the entire world. Self-governments in all the surrounding countries work on different environmental projects, and so does Bratislava. The objective of the city is to permanently increase the quality of life of Bratislava inhabitants, this is why I believe that activists and relevant civic associations may also be equal partners for us", said the mayor of Bratislava Andrej Ďurkovský and he added: "I had a meeting with the Green Party and I believe that they will be able to offer their own excellent projects and solutions. Their political support should not be a problem as the Green Party has its representation in the municipal corporation and in the national parliament it cooperates with the strongest government party." In the field of large investment projects in the city and public green there will be: Project Lesopark between Veľký and Malý Draždiak – a fair copy of the project should be discussed at the city corporation in November 2008. An urban study of the Small Carpathian route of Bratislavas forest park. Up until the 15th of October the public had the possibility to express their opinions, objections and remarks to the urban study. These are now being evaluated and those accepted will be included in the fair copy of the study. Urban study Zlaté piesky- A commission for land planning recommended this material for discussion at the municipal corporation. The objective of this project is the construction of a sports/recreational area with wide possibilities of use.

Regina Ovesny Straka leaves Slovakia

Long-term general director of Slovenská sporiteľňa Regina Ovesny-Straka is leaving Slovakia.



After 14 years in the position of a single top bank manager in Slovakia she is returning to Austria, where she will be taking up the position of the manager for the Austrian savings bank Salzburger Sparkasse. "I am glad to hand over the savings bank in an excellent condition to a very skilful person", said Regina Ovesny-Straka. The new general manager of Slovenská sporiteľňa, from 1st March 2009 will be Jan Rollo. "In the position of bank manager it is almost impossible to experience more than I had the opportunity to see in Slovakia – the development of Slovakia into a place attractive for business, privatization of the biggest bank in the country and rebuilding its very successful position on the market, the transition to a single European currency euro and moving the bank to a new headquarters and I am also looking forward to a task, especially for personal reasons, which is a challenge for me in Austria", said Regina Ovesny-Straka on the decision she was considering for a longer time.

Apology to the company AIG

In the October issue of Enjoy we published the article 85 million for AIG. American International Group is a world company. During the delivery of the article from the editorial office to the translation agency a mistake was made and the following version was published in the final version of the article: AIG – Slovak insurance company. We apologize to the company AIG. With respect, editorial office Enjoy