

The Slovak Republic, also known as Slovakia, is a landlocked country in Central Europe that belongs to the European Union (EU). The country borders other key Central European countries such as Poland, Ukraine, Hungary, and Austria. With its mostly mountainous territory, the Slovak Republic also offers beautiful, scenic landscapes.

Despite all the advantages of an expansion to the Slovak Republic, there are still certain challenges. For example, you need to find a Slovak Republic payroll option that fits your business goals. Then, you need to meet tax requirements, follow labor laws, and manage other issues of compliance — all while running your new location and parent company. Instead, count on Globalization Partners for Slovak Republic payroll outsourcing to make your expansion faster and easier.

## **Taxation Rules in the Slovak Republic**

You need to follow certain payroll rules related to taxes and similar factors. For example, employers have to contribute 35.2% of every employee's gross salary to social security up to a cap. However, employees contribute 13.4% of their own salary to social security subject to a cap. Social security includes everything from retirement insurance to unemployment insurance and injury insurance.

## **Slovak Republic Payroll Options for Companies**

Your expansion doesn't have to follow a linear path. You can choose your Slovak Republic payroll option from these four options:

- **Internal:** If you have a large subsidiary, you can set up an internal Slovak Republic payroll. This solution is a great one for companies that plan to operate in the Slovak Republic for a long time, but you'll need a global compliance expert.
- **Remote:** Your second option is a remote payroll through your parent company. If you have many employees from different countries, you need to make sure you're following the right laws for each country.
- **Local outsourcing company:** A Slovak Republic payroll processing company will outsource your payroll for you, but you'll still be held responsible for compliance. If you

don't have a labor law expert, you'll need to hire one.

- Global PEO: Globalization Partners offers Slovak Republic payroll outsourcing to make your expansion easier. We can act as the Employer of Record on your behalf to help you expand without worrying about compliance.

## **How to Set Up a Payroll in the Slovak Republic**

Your company has to wait to set up your Slovak Republic payroll until you establish a subsidiary in the country. It can take weeks or months to incorporate, which delays plans to hire, provide compensation and benefits, and more. Instead of facing a delay, take advantage of the fact that Globalization Partners will help you start work fast through our global expansion solution, including Slovak Republic payroll outsourcing. With our experts on your side, you can operate every day without worrying about fines or delays.

## **Entitlement/Termination Terms**

Enacting strong entitlement and termination terms in your employment contracts before choosing a Slovak Republic payroll option will help you come to a clear agreement with employees. The Slovak Republic requires the use of probationary periods for up to three months, and you need to provide two months of notice before terminating an employee. Your employees should get severance pay depending on the reason for termination.

## **Payroll Processing Company in the Slovak Republic**

Globalization Partners will help you open a new location without additional stress. Contact us today to learn more about Slovak Republic payroll outsourcing and our other services.