

OBLIGATORY WINTER ALLOWANCE IN SLOVENIA

On 20. November 2025, the *Act on the Right to Winter Allowance and the Revision of the Tax Base Determination Taking into Account Standardized Expenses (Official Gazette of the Republic of Slovenia, No. 91/2025 of November 19, 2025, hereinafter referred to as ZPZR)*, which regulates the obligatory payment of winter allowance as early as 2025 and increases the annual income limit for self-employed persons who determine their tax base with standardized expenses, which we will discuss in the December tax news.

Entitlement and conditions for payment

All employees, i.e., all those who are in an **employment relationship** under Slovenian labor law, are entitled to winter allowance. Winter allowance is defined as a one-off annual payment and must be paid already in 2025.

The official term is "winter allowance," but a more comparable term in other countries would be "**Christmas bonus**" or »winter remuneration,"

Amount of winter allowance

The winter allowance must be paid in cash on bank account not less than 50 % of the minimum wage in the Republic of Slovenia. The winter allowance **for the year 2025 is EUR 638.86**.

If an employee works only part of the year, then he/she is entitled to a proportionate part of the winter allowance according to the duration of the employment.

Example: *The employee worked with us for 5 years, but due to downsizing, we terminated his employment and as of 01.10.2026, he is no longer employed with us. Is he entitled to the winter allowance for 2026?*

- › *The employee must be paid 9/12 of the winter bonus for 2026.*

If an employee works **part-time**, the winter allowance is paid proportionally to their working hours, except in cases where they work part-time due to **disability or parenthood** according to Articles 67 or 67.b of Slovenia's Labour Code.

Example: *We have an employee working a reduced working time of 30 hours per week due to parental care – care of a child up to 6 years of age. She's been employed for many years already. How much winter allowance is she entitled to?*

- › *She is entitled to the full obligatory winter allowance in the amount of EUR 638.86.*

Taxation and contributions

The winter allowance is **not subject to personal income tax nor social security contributions** up to the amount of half the minimum wage for the current year (for 2025 EUR 1,277.72).

If the employer pays more than half the minimum wage, the difference **is treated as a performance bonus (slo. del plače za poslovno uspešnost)**.

Inclusion of the excess in performance bonus

If the **winter allowance** exceeds the legally prescribed amount and a higher amount is defined in the general act/collective agreement, the difference is considered **a performance bonus (slo. del place za poslovno uspešnost)**.

A performance bonus **is exempt from income tax** up to 100% of the average monthly wage, but is **not exempt from social security contributions**.

When the winter bonus exceeds the average wage in Slovenia (current amount EUR 2,489.76 for October 2025), the difference is considered **another employment benefit**, which is taxed and subject to contributions in the same way as salary.

Exception for the year 2025

As the law was passed so late, there is an exception for payments in 2025. The **winter allowance** can be paid **in addition** to the total tax-free amount of **the performance bonus**, so for payments in November 2025 around **EUR 3,128**.

The exception for the year 2025 is that the winter allowance, only in 2025, is not counted as part of the performance-based pay. Therefore, in 2025, the highest possible amount of non-taxable payment is the amount of the winter allowance **plus** the performance-based pay.

If the winter allowance for a particular year is paid in **two or more installments**, when the next or final installment of the winter allowance for that year is paid, the total amount of the winter allowance is determined and social security contributions are calculated for each installment of the winter allowance.

Example: *The company has adopted a **decision to pay part of the salary for business performance** in the amount of each **individual's monthly salary** in the company, with the winter allowance being included in this amount. How is the payment treated?*

Year 2025: *Ana has a monthly salary of EUR 3,000, which is taxed as follows – **year 2025**, paid-out on 21.11.2025:*

- EUR 638.86 winter allowance,
 - EUR 2,361.14 part of the salary for business performance (the max. average monthly salary in October 2025 is EUR 2,489.76),
- Therefore, Ana can receive the entire 14th salary of EUR 3,000 tax-free and only EUR 638.86 free of social security contributions.

Year 2026 - presumption: *Ana has a monthly salary of EUR 3,000, which is taxed as follows – **year 2026**, payout is at the end of November 2026, when the estimated last known average monthly salary will be EUR 2,650 and the minimum salary EUR 1,300 (general data is only an estimate!):*

- EUR 650 winter allowance,
- EUR 2,000 part of the salary for business

performance, as it is already reduced by the winter allowance,

- EUR 350 other income

Ana will be taxed only on EUR 350; she will pay social security contributions on EUR 2.350 and will be completely tax-free and social-security-free for EUR 650.

Deadline for payment

The employer shall pay the employee the winter allowance no later than **December 18** of the current calendar year. If the deadline for payment of the winter allowance falls on a non-working day, it shall be paid no later than the first following working day.

Exception for payments by employers with liquidity problems

A collective agreement may specify a later payment date for the winter allowance in case of employer's illiquidity, which is no later than March 31 of the following calendar year.

Exception for payment for the year 2025

Regardless of the liquidity at the employer, the employer may for 2025:

- › pay 1/4 of the winter allowance by 18 December 2025, and
- › pay 3/4 of the winter allowance by 31 March 2026

The condition for this postponement is that the employer **has not paid out profits** or made **any shareholder decisions** regarding **profit distribution, purchase of own shares/interests, or payment of rewards/salaries for business performance to management** during the period from 01.01.2025 to 31.03.2026.

Employment with the foreign employer

According to the amendment, any individual who is employed based on an employment contract is entitled to the winter allowance. The Slovene Employment Relationships Act (ZDR-1) also **applies to employment relationships between foreign employers and employees**, established on the basis of an employment contract for work performed in the territory of the Republic of Slovenia.

What is decisive is **the place where the work is actually performed**, not where the employer is registered. Therefore, employees working for a foreign employer are also entitled to the **winter allowance**.

Example: *A German company has concluded an employment contract with a Slovenian who works from his home office in Kranj. The Slovenian is included in social insurance in Slovenia. Is he entitled to the winter allowance?*

- › *Yes, employees of a foreign employer are also entitled to the obligatory winter allowance. Therefore, even if the employee received rewards and bonuses during the year, and is not promised a "Christmas bonus" at the end of the year, the obligatory winter allowance must still be paid.*
- › *If the employee is entitled to a Christmas bonus under the employment contract or by the employer's decision, part of this agreed Christmas bonus can be paid as the obligatory winter allowance.*

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