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The International Comparative Legal Guide to:

Corporate Tax 2018

14th Edition

A practical cross-border insight into corporate tax work

Published by Global Legal Group, with contributions from:

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Published by
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London SE1 3PL, UK
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Email: info@glgroup.co.uk
URL: www.glgroup.co.uk

GLG Cover Design
F&F Studio Design

GLG Cover Image Source
iStockphoto

Printed by
Ashford Colour Press Ltd
November 2017

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ISBN 978-1-911367-83-3
ISSN 1743-3371

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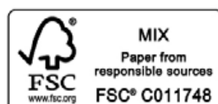

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1 Tax Treaties and Residence

1.1 How many income tax treaties are currently in force in your jurisdiction?

To date, Poland has concluded 93 Double Taxation Treaties ("DTTs"), five of which are not yet in force. On 7 June 2017, the Multilateral Instrument to Modify Bilateral Tax Treaties ("MLI") was signed by Poland. The MLI allows concluded DTTs to be automatically amended. Poland has declared 78 DTTs for the MLI's purposes (11 DTTs remain unchanged).

1.2 Do they generally follow the OECD Model Convention or another model?

The tax treaties which have been signed by Poland follow the OECD Model Convention most of the time, except for certain specifications and reservations. The majority of the tax treaties have been renegotiated in the last 10 years, e.g. introducing a real estate clause or introducing the anti-avoidance rules.

1.3 Do treaties have to be incorporated into domestic law before they take effect?

All ratified DTTs become a part of the internal legal system after being published in the Journal of Laws. The general principle is that a DTT takes precedence over domestic tax law.

1.4 Do they generally incorporate anti-treaty shopping rules (or "limitation on benefits" articles)?

In general, DTTs concluded by Poland do not include anti-treaty shopping rules. However, there is a trend to introduce such rules upon the renegotiation of DTTs, or into new DTTs.

1.5 Are treaties overridden by any rules of domestic law (whether existing when the treaty takes effect or introduced subsequently)?

No. According to Polish constitutional law, DTTs, as ratified international agreements, will always prevail over domestic law. Moreover, the priority of DTTs over domestic tax law is envisaged by the Polish income tax laws.

1.6 What is the test in domestic law for determining the residence of a company?

A company is considered to be a Polish tax resident if its registered office or place of management is located in Poland. Therefore, Polish subsidiaries of foreign companies are considered Polish tax residents. The entire income of Polish tax residents is subject to taxation, irrespective of where the income is earned. In the case of entities which do not have their registered office or management in Poland, only income earned by them in Poland is subject to taxation.

2 Transaction Taxes

2.1 Are there any documentary taxes in your jurisdiction?

Stamp duty is imposed on certain activities undertaken by the public administration such as granting approval, issuing certificates, permissions, powers of attorney and other documents.

Apart from stamp duty, certain civil law activities are subject to civil transaction tax ("CTT"). CTT is described in greater detail in question 2.6 below.

2.2 Do you have Value Added Tax (or a similar tax)? If so, at what rate or rates?

Yes. The Polish system of Value Added Tax is based on European Union legislation (primarily on the provisions of Directive 2006/112/EC on the common system of value added tax implemented into domestic law by the Act on Tax on Goods and Services).

The standard rate is currently 23%. A reduced rate of 8% applies to certain goods like food products and beverages not covered by other rates, new housing structures and housing construction services covered by the social housing programme, passenger transport and restaurant services. A super-reduced 5% rate is applied to supplies of certain food items, such as bread, dairy products, meats, and selected publications. Exportation of goods, intra-Community supply of goods and international transport services are subject to a 0% rate, under certain conditions. There are also VAT exemptions for the supply of certain goods and services.

2.3 Is VAT (or any similar tax) charged on all transactions or are there any relevant exclusions?

VAT is imposed on: (i) the supply of goods and services in Poland;

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(ii) imports and exports to and from Poland; and (iii) intra-community supply of goods.

The following activities are not subject to VAT: (i) sale of an enterprise or an organised part of an enterprise; and (ii) activities that cannot be the subject of a legally effective contract.

The VAT Act introduces a list of activities that are exempt from VAT. Such list includes (with no optional taxation of these services):

- financial services (loans, maintaining bank accounts, currency exchange) other than leasing, factoring and consulting;
- insurance and reinsurance services;
- certain medical services;
- some educational services;
- welfare services;
- social security services;
- some culture and sports-related services; and
- real estate (under certain conditions) with an option to forego the exemption (not always applicable).

2.4 Is it always fully recoverable by all businesses? If not, what are the relevant restrictions?

Taxpayers may deduct the amount of input VAT from the amount of output VAT. Input VAT accounted for on purchased goods and services is deductible, provided that the purchases are related to a sale that is eligible for a VAT deduction (so, as a rule, a sale subject to VAT).

If purchased goods and services are not used for business purposes (for example, goods acquired for private use by the entrepreneur), input tax may not be recovered. Moreover, input tax is not a subject to reimbursement for some items of business expenditure (*inter alia*, restaurant meals, personal expenses and hotel accommodation).

Input tax is not recoverable if it is connected to the supply of goods or services exempt from VAT.

If a VAT payer supplies both goods and services subject to VAT and exempt from it, and it cannot be determined if input VAT is connected with taxable or exempt supplies, then the proportional VAT recovery applies.

2.5 Does your jurisdiction permit "establishment only" VAT grouping, such as that applied by Sweden in the *Skandia* case?

The Polish VAT Act does not permit "establishment only" VAT grouping.

2.6 Are there any other transaction taxes payable by companies?

Yes, CTT is levied on certain contracts and amendments to such contracts, *inter alia*:

- sales agreements and agreements for the exchange of property rights;
- money loan agreements; and
- foundation deeds of a partnership or company.

The CTT rate depends on the type of the civil law activities, i.e. the acquisition of shares is subject to CTT at a 1% rate, the acquisition of tangible items 2%, loans 2%, and the increase in a company's share capital 0.5%.

The tax obligation arises at the moment of executing a civil law action (or amending it).

The tax is not charged on civil law transactions other than the company deed and its amendments to the extent in which they are taxed VAT, or if at least one of the parties is exempt from VAT (with some exceptions; *inter alia*, the sale of shares and the sale of real estate exempt from VAT are subject to CTT).

2.7 Are there any other indirect taxes of which we should be aware?

Yes, excise duty is levied on certain actions related to the following goods: energy products; electricity; alcoholic beverages; tobacco products; raw tobacco; and motor cars. The taxable base and rates of excise duty differ depending on the subject of taxation.

3 Cross-border Payments

3.1 Is any withholding tax imposed on dividends paid by a locally resident company to a non-resident?

Dividends paid by a Polish resident to a non-resident company are taxed at a rate of 19%.

The 19% withholding tax rate applies unless a DTT provides for a reduced tax rate or exemption or the dividends qualify for an exemption under the EU Parent-Subsidiary Directive ("PS Directive"), provided the dividend is not related to a transaction (or a set of transactions) that is undertaken to benefit from a tax exemption and that does not reflect economic reality.

In general, dividends also include income from the liquidation of a company, redemption of shares (other than buyback, income derived from which is treated as capital gains) and increase of share capital from retained earnings.

In order to benefit from a DTT or the PS Directive, a non-resident company must provide the dividend payer with a certificate of its tax residence.

3.2 Would there be any withholding tax on royalties paid by a local company to a non-resident?

Royalties paid by a Polish resident to a non-resident company are taxed at a rate of 20%.

The 20% withholding tax rate applies unless the rate is reduced under a DTT or the EU Interest and Royalties Directive (the exemption based on the Directive may be applied only if the recipient is the beneficial owner of the royalties).

In order to benefit from a DTT or the Directive, a non-resident company must provide the payer of the royalties with a certificate of its tax residence.

3.3 Would there be any withholding tax on interest paid by a local company to a non-resident?

Interest paid by a Polish resident to a non-resident company is taxed at a rate of 20%.

The 20% withholding tax rate applies unless the rate is reduced under a DTT or the EU Interest and Royalties Directive (the exemption based on the Directive may be available only if the recipient is the beneficial owner of the interest).

It must be added that in accordance with the Polish Corporate Income Tax Act ("CIT Act"), the 20% withholding tax rate also applies to fees paid for specified intangible services (i.e. advisory

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services, accounting services, market research services, legal services, advertising services, management and control, data processing, personnel recruitment services, guarantees and sureties and similar services), unless the DTT provides otherwise.

In order to benefit from a DTT or the Directive, a non-resident company must provide the interest payer with a certificate of its tax residence.

3.4 Would relief for interest so paid be restricted by reference to "thin capitalisation" rules?

Interest on loans constitutes a tax-deductible cost at the time of the payment or capitalisation of accrued interest to the principal amount.

Currently, the Polish CIT Act provides for two possible thin capitalisation models. The basic model relies on comparing the value of the taxpayer's equity to its liabilities towards related parties (i.e. entities holding directly or indirectly at least 25% of the shares in the company receiving the loan) and restricts deductibility of interest corresponding to the excess of liabilities (decreased by loans granted by the entity) over its equity. The alternative model is based on calculating the maximum value of interest that may be tax-deductible by reference to the percentage of the tax value of the assets (based on the interest rate of the National Bank of Poland). Tax-deductible interest in this model is also limited by 50% of the company's earnings before interest and tax ("EBIT") (both criteria need to be met jointly). In the alternative model, the non-deductible interest could be carried forward for five consecutive years.

Currently there are legislative works in progress completely amending thin capitalisation rules (to be effective from 2018). In accordance with the proposed changes to the CIT Act (currently in the legislation process), new thin capitalisation rules provide for a limitation of tax deductibility of interest (being a surplus of financial costs over the financial revenues) on all debt financing (from related and third parties) to 30% of earnings before interest, taxes, depreciation and amortisation ("EBITDA"). The proposed regulations shall not apply to: (i) interest not exceeding PLN 3 million in a tax year; or (ii) financial companies (listed in the CIT Act). Non-deductible costs could be carried forward for five consecutive years. In contrast to the current rules, the new limitation will also apply to financing provided by non-related entities.

3.5 If so, is there a "safe harbour" by reference to which tax relief is assured?

Under the rules currently in force, there is no safe harbour for financing costs.

However, the proposed changes to the CIT Act (currently in legislative works, but to be effective from 2018) provide a safe harbour for excess of financing costs over financing proceeds up to PLN 3 million annually.

3.6 Would any such rules extend to debt advanced by a third party but guaranteed by a parent company?

Under the rules currently in force, the thin capitalisation rules do not apply to debt advanced by a third party but guaranteed by a parent company.

Currently, thin capitalisation applies to the following situations:

- a loan is granted by entity holding directly or indirectly at least 25% of the shares in the company receiving the loans;
- a loan is granted jointly by entities holding directly or indirectly at least 25% of the shares in the company; or
- a loan is granted by another company, and in both companies the same entity holds not less than 25% of the shares, directly or indirectly.

As described above (see question 3.4), it is planned that from 2018, new thin capitalisation rules will also apply to non-related debt from third parties.

3.7 Are there any other restrictions on tax relief for interest payments by a local company to a non-resident?

The Polish CIT Act does not specify any such restrictions.

3.8 Is there any withholding tax on property rental payments made to non-residents?

Poland does not levy withholding tax on property rental payments made to non-residents.

3.9 Does your jurisdiction have transfer pricing rules?

Yes. In general, the Polish transfer pricing rules follow the OECD guidelines and if prices in related party transactions are not in accordance with the "arm's length" principle, the tax authorities may make an adjustment. Transfer pricing rules apply to taxpayers whose annual revenues or expenses exceed EUR 2 million or make payments or enter into agreements with entities from territories or countries whose tax arrangements are harmful to competition ("tax havens").

Transfer pricing rules in Poland also apply to deeds of partnership, reorganisation and exit transactions.

From 2017, a three-level concept of the transfer pricing documentation is in force:

- Local documentation (local file) – in which the local related parties present details of transactions with other group components.
- Group documentation (master file) – containing information about the group.
- Country-by-Country Reporting – a CbC report will provide aggregate information about income and the tax paid, as well as business locations of the associated enterprises and foreign plants which belong to the group, in a tax year.

Taxpayers with revenues or expenses between EUR 2 million and 10 million will only have to prepare a local file.

Taxpayers with more than EUR 10 million in revenues or expenses will also have to prepare a benchmarking study and file a summary report on transactions and dealings with associated enterprises, along with a tax return.

Taxpayers with revenues or expenses exceeding EUR 20 million will additionally have to prepare a master file.

Those taxpayers who earn consolidated revenues of more than EUR 750 million will have to prepare, in addition to the local file and the master file, a CbC report.

Taxpayers are also required to file statements (under threat of penal liability) to the effect that they have prepared the necessary transfer pricing documentation. These statements are to be filed annually, not later than the deadline for submitting annual tax returns.

If the taxpayer does not keep the transfer pricing documentation as required by the law and the tax authorities assess additional taxable income from transactions carried out by related parties, this income will be subject to the penalty 50% income tax rate (not the standard 19% rate).

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4 Tax on Business Operations: General

4.1 What is the headline rate of tax on corporate profits?

The rate of corporate income tax is 19% of the tax base. A reduced tax rate of 15% of the taxable base applies for: (i) small taxpayers (those with a turnover under EUR 1.2 million in the previous year); and (ii) taxpayers who have recently started their business activity – this rate is applicable in the year they started.

4.2 Is the tax base accounting profit subject to adjustments, or something else?

The tax base is calculated as a taxable profit minus tax-deductible costs. The Polish CIT Act provides for premises that need to be fulfilled in order to recognise taxable revenue or tax-deductible cost.

Nevertheless, in practice, the tax base is determined on the basis of the accounting profit subject to adjustment.

4.3 If the tax base is accounting profit subject to adjustments, what are the main adjustments?

Adjustments can be divided into permanent and temporary ones.

Permanent differences refer to such costs and revenues that are either included into accounting profit, but excluded from the tax base, or *vice versa*. They include, for example:

- provisions (with some exceptions);
- goodwill depreciation (with some exceptions); and
- penalties and penalty interest.

Temporary differences are derived from a different moment of the recognition of cost or revenue for accounting and tax purposes. Such differences include, for example:

- interest;
- lease rent; and
- foreign exchange.

4.4 Are there any tax grouping rules? Do these allow for relief in your jurisdiction for losses of overseas subsidiaries?

The Polish CIT Act includes provisions on group taxation, i.e. groups of at least two limited liability companies or joint stock companies with their registered office in the territory of Poland bound by ties on the capital level and meeting the requirements provided for in the CIT Act. If all of these conditions are met, a tax capital group shall be treated as a single taxpayer. However, the required conditions are extremely demanding, therefore tax capital groups are rather unpopular.

The Polish CIT Act does not provide for relief for losses incurred by foreign subsidiaries.

4.5 Do tax losses survive a change of ownership?

Yes, tax losses survive a change of ownership. In such cases, in accordance with the general principle, tax losses can be carried forward for a maximum of five years.

The proposed changes to the CIT Act do not affect this. Nevertheless, the amended CIT Act will introduce (from 2018) the separate taxation of capital gains and other business profits (separate sources of income) and will disallow decreasing the tax base from one source of income by tax losses from the other (effective for tax losses sustained starting from 2018). The current wording of the projected amendments allows, however, the tax base from any source of income to be decreased by the tax losses from 2017 and previous years (pursuant to regulations currently in force).

4.6 Is tax imposed at a different rate upon distributed, as opposed to retained, profits?

No. There is no difference in tax rate.

4.7 Are companies subject to any significant taxes not covered elsewhere in this chapter – e.g. tax on the occupation of property?

Real property tax is paid by owners of: (i) land; (ii) buildings or parts thereof; and (iii) non-building structures or parts thereof used to conduct economic activity. The tax base depends on the type of assets concerned: (i) land – surface area; (ii) buildings – the usable floor area; and (iii) structures – 2% of their value. Tax on a building/plot of land is calculated separately for each area. The payers of this tax are, for example, owners, perpetual usufructuaries of land or so-called autonomous possessors. Real property tax is imposed by the local tax authorities.

It is proposed that, from the beginning of 2018, a new type of tax will be levied on the owners of shopping malls, large shops, office buildings (worth more than PLN 10 million), at the level of 0.035% per month of the initial tax value of the building. The amount of tax paid shall be deducted from the CIT.

5 Capital Gains

5.1 Is there a special set of rules for taxing capital gains and losses?

Currently, in the Polish CIT Act there are no special rules for the taxation of capital gains. Capital gains and losses are amalgamated into a compound tax base of a business entity together with ordinary business profits and taxed at a standard 19% rate.

Proposed changes to the CIT Act (currently in legislation, projected to be effective from 2018) provide for a new and separate source of revenue for capital gains. The new rules disallow the offsetting of capital gains or losses against other sources of revenue (such as ordinary business activity) and introduce a separate tax base calculated on the basis of capital gains and losses taxed at a rate of 19% separately from business revenues and costs.

5.2 Is there a participation exemption for capital gains?

No, there is no participation exemption for capital gains.

5.3 Is there any special relief for reinvestment?

No, there is no relief for reinvestment.

5.4 Does your jurisdiction impose withholding tax on the proceeds of selling a direct or indirect interest in local assets/shares?

No, there is no such withholding tax. Non-resident companies are

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taxed at a standard CIT rate (19%) on income and capital gains earned in Poland, unless a specific DTT provides for any exemptions or other specific rules.

6 Local Branch or Subsidiary?

6.1 What taxes (e.g. capital duty) would be imposed upon the formation of a subsidiary?

The formation of a subsidiary will involve the obligation to pay CTT levied on deeds of association or its amendments. The tax base will be the value of contributions to a partnership or the value of share capital of a company. The rate is 0.5% of the tax base.

6.2 Is there a difference between the taxation of a local subsidiary and a local branch of a non-resident company (for example, a branch profits tax)?

The entire income of a local subsidiary (being legally a separate entity domiciled in Poland) is subject to taxation in Poland, irrespective of where the income is earned.

In the case of a branch of a non-resident company (being legally a part of its parent company), the non-resident company running such a branch is subject to taxation in Poland in regard to the income achieved in Poland, allocated to the branch in accordance with "arm's length" principles.

6.3 How would the taxable profits of a local branch be determined in its jurisdiction?

The taxable profit of a local branch of a non-resident company is determined by its status (i.e. whether it has a permanent establishment ("PE") status in Poland – if this is the case then it is determined pursuant to the Polish CIT Act and/or the relevant DTT) and taxable revenues and costs in the territory of Poland which are allocated to it. The taxable revenues and costs (and as a result the tax base) are determined in accordance with "arm's length" principles on the same basis as in the case of domiciled companies; however, there might be some specific rules for their allocation to the branch or the mother company. The applicable tax rate is 19%.

If, in accordance with the Polish CIT Act, the local branch is considered a PE, then transfer pricing regulations shall apply. In order to apply the transfer pricing regulations, both the non-resident company and its PE should accept the fictitiousness of the autonomy and independence of the PE in the mutual settlements of the transactions. Pricing methods between related parties will apply in such a situation to the hypothetical "price" of the company–PE relationship.

6.4 Would a branch benefit from double tax relief in its jurisdiction?

If the branch is deemed to be a PE, it shall benefit from the provisions of a DTT.

6.5 Would any withholding tax or other similar tax be imposed as the result of a remittance of profits by the branch?

No, there is no such withholding tax.

7 Overseas Profits

7.1 Does your jurisdiction tax profits earned in overseas branches?

In accordance with the general rule, the entire income of a Polish tax resident is subject to taxation in Poland, irrespective of where the income is earned. Therefore, income from the overseas representative office or permanent establishment of the Polish-resident company is included in the entities' total taxable income. The tax paid abroad may be deducted from the tax to be paid in Poland on the income of overseas branches unless the applicable DTT states otherwise.

7.2 Is tax imposed on the receipt of dividends by a local company from a non-resident company?

As a rule, the dividends received by a Polish company from a non-resident company constitute the income of the company. Under the relevant DTT or the PS Directive, dividend income from a non-resident company may be exempt from tax in Poland. If there is no exemption applicable, the amount equivalent to the tax paid on dividends in a foreign state is deducted from the tax due on the aggregate income (proportionally to dividends). If a higher participation requirement is met (75%) apart from the tax paid on the dividend abroad, the tax paid on income from which the dividend is paid is also deductible in Poland.

7.3 Does your jurisdiction have "controlled foreign company" rules and, if so, when do these apply?

In accordance with the controlled foreign company ("CFC") regulations, Polish taxpayers are taxed at a rate of 19% on the income earned by legal persons considered to be CFCs. The CFC regulations apply to any type of legal person which would fall into one of the following categories, among others: (i) the registered office or place of management of such entity is located in one of the so-called tax havens; (ii) the registered office or place of management of such entity is not in a so-called tax haven, but there is no legal basis for the exchange of taxation information with such jurisdiction based on the agreement concluded by Poland or European Union; or (iii) the Polish company holds, for an uninterrupted period of at least 30 days, at least 25% of a foreign company that derives mainly passive income that is taxed at a rate lower than 14.25%.

Proposed changes to the CIT Act introduce: (i) an effective tax rate instead of the nominal one as a CFC assessment criterion; (ii) an obligation to include in a CFC register a controlled foreign company, even if it conducts a factual economic activity in another EU/EEA state; and (iii) a new catalogue of earnings considered to be subject to taxation.

8 Taxation of Commercial Real Estate

8.1 Are non-residents taxed on the disposal of commercial real estate in your jurisdiction?

In accordance with the general principles, earnings from the sale of commercial real estate are subject to a 19% CIT rate.

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8.2 Does your jurisdiction impose tax on the transfer of an indirect interest in commercial real estate in your jurisdiction?

There are no special rules on the transfer of an indirect interest in commercial real estate located in Poland. Capital gains on the transfer of indirect interest in commercial real estate (namely, shares of a company owning the real estate) are taxed similarly to capital gains on the sale of shares of any other company (with planned changes from 2018; see question 5.1 for further reference).

8.3 Does your jurisdiction have a special tax regime for Real Estate Investment Trusts (REITs) or their equivalent?

Currently there is no special tax regime for REITs. However, legislative work on this matter has already been started. In light of the new legislation, income achieved directly or indirectly from a REIT's leasing of real properties will be exempt from CIT until its distribution as a dividend, at which point it will then be subject to CIT taxation. In such case, a special tax rate of 8.5% will apply. That would, however, apply only to listed entities (developers of residential properties).

9 Anti-avoidance and Compliance

9.1 Does your jurisdiction have a general anti-avoidance or anti-abuse rule?

In July 2016, a general anti-avoidance rule ("GAAR") was introduced into the Polish tax law. GAAR allows the tax authorities to eliminate the effects of tax optimisation in cases of "tax avoidance". Tax avoidance is defined as occurring where a transaction/action is performed notably in order to acquire a tax benefit, while the commercial or economic aims of the transaction/action, if any, are immaterial. The tax authorities can compare concluded arrangements to those that could be concluded by a reasonable taxpayer following fair market goals. Such allowed activities form the basis of assessing the tax consequences for a taxpayer. GAAR will be applicable to tax savings achieved after its effective date, regardless of the actual moment of the transaction. Therefore, GAAR may be used retroactively with regard to undertakings or arrangements that were made before its introduction, but the effects of which extend to the present day. It is important to note that tax-saving arrangements (if deemed artificial) may no longer be protected by ordinary tax rulings. Together with GAAR, a new type of tax ruling protecting from GAAR has been introduced. So far, no such positive rulings (granting protection) have been issued.

A specific VAT anti-avoidance rule also entered into force in July 2016. Under the rule, in case of an abuse of law, VAT-able activities will lead to only those tax results that would have occurred in the absence of transactions/actions constituting the abuse of law. An abuse of law is defined as carrying out an activity subject to VAT as part of a transaction/action that, despite meeting the formal requirements specified in the provisions of the VAT Act, basically was aimed at deriving tax benefits that are contrary to the intention of the provisions of the VAT Act.

Moreover, Polish domestic law provides other specific anti-avoidance rules; for example, in accordance with the Polish CIT Act, if the merger, division of companies or exchange of shares have not been executed due to informed economic reasons, it shall be assumed that the main purpose or one of the main purposes of these activities is tax avoidance or evasion.

9.2 Is there a requirement to make special disclosure of avoidance schemes?

There is no special disclosure rule for avoidance schemes.

9.3 Does your jurisdiction have rules which target not only taxpayers engaging in tax avoidance but also anyone who promotes, enables or facilitates the tax avoidance?

There are not any special rules.

9.4 Does your jurisdiction encourage "co-operative compliance" and, if so, does this provide procedural benefits only or result in a reduction of tax?

Poland does not encourage co-operative compliance.

10 BEPS and Tax Competition

10.1 Has your jurisdiction introduced any legislation in response to the OECD's project targeting Base Erosion and Profit Shifting (BEPS)?

Poland supports all 15 action points declared in the OECD's Action Plan, and most of them (*inter alia*, the CFC rules, anti-avoidance rule, exchange of tax information, disclosure of aggressive tax planning, transfer pricing documentation, and Country-by-Country Reporting) have already been implemented.

10.2 Does your jurisdiction intend to adopt any legislation to tackle BEPS which goes beyond what is recommended in the OECD's BEPS reports?

Currently there is no available information as to whether Poland has any intention of introducing such legislation.

10.3 Does your jurisdiction support public Country-by-Country Reporting (CBCR)?

Yes; in accordance with the Polish CIT Act, CBCR is to be provided by the ultimate parent company in the group (if it has its registered office or seat of management in Poland).

The obligation to file CBCR applies to entities operating in groups which: (i) prepare consolidated financial statements; (ii) conduct cross-border operations; or (iii) earned consolidated net turnover for the previous financial year exceeding EUR 750 million.

The Polish parent company shall provide the tax administration with information on the group within 12 months of the end of the reporting year.

10.4 Does your jurisdiction maintain any preferential tax regimes such as a patent box?

Poland does not maintain any preferential tax regimes.

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Joanna is highly experienced in advising many private investors, entrepreneurs and their families, as well as professional investors, on the reorganisation and development of their businesses, succession processes, private property protection, reporting on foreign assets, and conversion of tax residence. She has advised on various restructuring processes, privatisation and mergers.

Joanna is a licensed tax adviser with 20 years of experience gained at PricewaterhouseCoopers and Domański Zakrzewski Palinka. She has been managing the Domański Zakrzewski Palinka Tax Practice since 2010.

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