

Taxation of a retail sale

On 24th May, 2016 the Polish Ministry of Finance published the draft of new law on taxation of the retail sale.

According to the draft:

- the new tax will be levied on the income from the retail sale,
- as the income it will be understood the net amount received from the sale of goods to natural persons who do not conduct the business activities and farmers who settles VAT on the base of the flat-rate scheme,
- as the tax base will be understood the surplus of the income from the retail sale, obtained in a given month, over the amount of PLN 17m (approx. EURO 3,800,000),
- there will be two tax rates:
 - 0.8% applicable to the tax base below PLN 170m,
 - 1.4% applicable to the surplus over PLN 170m,
- there will be obligation to file the appropriate tax declaration and pay due tax up to the 25th day of the following month,
- the retail sale via Internet will not be covered by this tax,
- there will be a few of exemption from the obligation to pay this tax, e.g. certain drugs or goods supplied as the restaurant services.

The Act will come into force on 31st day after its publication in the Official Journal of Laws. The above draft of the new law will be analysed by the Polish government and afterwards it will be sent to the Polish Parliament for further processing.

The information contained in the alert is general and does not cover all changes resulting from the proposed regulation. Before making any decision or action, as well as in case of any questions or concerns, please contact our tax advisers, tel. +48 22 250 31 00.

