

Polish tax authorities will have be informed about bank accounts. Tax deductible costs may be limited.

The Polish Parliament started work on bill amending the act on tax on goods and services and some other acts implementing some changes in the way how the payments between Polish VAT taxable persons should be made. According to the draft of the regulation the Ministry of Finance will publish and update on daily basis list of all Polish VAT taxable persons including details of their VAT registration especially bank account numbers that should be reported to the Polish tax authorities during VAT registration in Poland or during any update of VAT registration data (with e.g. NIP-2 or NIP-8 form).

The purpose of publishing these type of data is that the new regulation will impose an obligation on all Polish VAT taxable persons that if they have to make a payment exceeding PLN 15,000 to other Polish VAT taxable person, they will have to make a payment on the bank account of the supplier that was revealed on the list run by the Polish Minister of Finance. Otherwise, such payment will be in general excluded from tax deductible costs for CIT / PIT purposes and the purchaser will be jointly and severally liable for the potential seller's tax arrears from that transaction.

It means that in practice all Polish VAT taxable persons, including also foreign companies only VAT registered in Poland, should make sure that they inform Polish tax authorities about their bank accounts that they use in their business relationships with Polish VAT taxable persons. Otherwise, Polish purchasers may not want to make a payment on such unregistered accounts.

Discussed changes does not impose an obligation to open bank account in Poland. The current forms allow to inform Polish tax authorities on any foreign bank accounts that are used during business activity.

In principle, the new provisions are supposed to come into force on September 1, 2019. However regulations introducing negative consequences in the event of payment for a contractor's account other than disclosed in the list, will take effect from January 1, 2020.

The information contained in the alert are general and do not represent the opinion of tax and are not everything 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.