

Voluntary Report – Voluntary - Public Distribution

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Report Name: Poland Implements New Retail Sales Tax

Country: Poland

Post: Warsaw

Report Category: Agriculture in the News

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Report Highlights:

As of January 1, 2021, retail outlets with the highest sales by volume are required to pay additional taxes in Poland. While the Retail Sales Tax Act technically entered into force on September 1, 2016, no taxes were collected prior to 2021 following questions from the European Commission (EC) about the tax's legality. While the EC continues to question the validity of the Polish tax, the Government of Poland (GOP) nonetheless proceeded to enforce the tax on January 1, 2021 as a means to raise additional revenue.

As of January 1, 2021, retail outlets with the highest volumes of sales began paying additional taxes under [the Retail Sales Tax Act](#). The GOP is collecting the taxes monthly, with the first payment for January 2021 due on February 25, 2021. The Retail Sales Tax technically entered into force on September 1, 2016. However, because the EC questioned the validity of the Act on the Retail Sales Tax, Poland did not use the regulation to collect any tax revenues until January 1, 2021.

As explained by the Polish Ministry of Finance, the tax will apply to all retailers operating on Polish territory, regardless of whether they are Polish or foreign entities. Retailers are subject to the tax based on the following two application rates:

1. 0.8 percent for monthly revenue ranging from Polish zloty (PLN) 17 million (\$4.4 million) to PLN 170 million (\$44 million), and
2. 1.4 percent when sales exceed 170 million PLN (\$44 million) per month. Sales under PLN 17 million (\$4.4 million) per month are tax-free.

Poland's fiscal budget experts envisage that 2021 revenues from retail sales tax will reach about PLN 1.5 billion (nearly \$400 million). The tax is to be paid by retailers to the applicable tax office.

Additional information on Poland's Retail Sales Tax Act can be obtained from FAS Warsaw's GAIN report: [New Retail Tax in Poland planned for 2018_Warsaw_Poland_10-20-2016](#)

Attachments:

No Attachments.