

Voluntary Report – Voluntary - Public Distribution

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Report Name: Poland Taxes Soft Drinks and Energy Drinks

Country: Poland

Post: Warsaw

Report Category: Agriculture in the News, Beverages

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Report Highlights:

On January 1, 2021 Poland implemented new taxes on soft drinks, small bottles of alcoholic beverages of up to 300 milliliters (ml), and energy drinks. Polish industry experts estimate that the new taxes will generate upwards of \$1 billion in annual revenue for the Government of Poland (GOP). Trade sources report that retail prices for many popular beverages delivered after January 1, 2021 increased by over 45 percent. Retail sector sources also report that to avoid taxes on alcoholic beverages sold in bottles up to 300 ml or less, some Polish retailers now offer bottles of 350 ml by volume.

On January 1, 2021, the GOP enforced a new tax regime on beverages containing sugar or other sweeteners, alcoholic beverages in 300 ml or smaller bottles, and energy drinks. Polish President Andrzej Duda signed the legislation on August 24, 2020. The legislation is presented as additional “fees” for sugary beverages to support better nutrition and more healthful lifestyles. Beverages are taxed at 0.50 Polish zloty (PLN) (\$0.13) per liter, plus an additional PLN 0.10 (\$0.03) per liter for energy drinks containing caffeine or taurine. A variable tax of PLN 0.05 (\$0.01) is applied to each gram of sugar over five grams per 100 ml per liter of beverage product. Critics of the law note the legislation gives exemptions many local products (e.g., dairy beverages), which often contain higher levels of sugar than in popular carbonated beverages. According to Post industry sources, retail prices for many affected beverage products delivered after January 1, 2021 increased by over 45 percent.

The same legislation also introduced taxes on alcoholic beverages sold bottles, up to 300 ml or less, known colloquially as “monkeys”. The taxes apply to retailers selling these spirit and wine products intended for consumption outside of the retailer or point of sale. The fee is PLN 25 (\$3.8) per liter of 100 percent alcohol sold in packages up to 300 ml. Tax revenues generated from “monkey” sales are equally divided between the local municipalities where products are sold and the National Health Fund. According to industry experts, the sale price of a “monkey” of vodka with 40 percent alcohol by volume increased by PLN 1.00 (\$0.26) per 100 ml unit and PLN 2.00 (\$0.53) per 200 ml unit. Retail sector sources also report that in order to avoid taxes on alcoholic beverages sold bottles, up to 300 ml or less some of the retailers operating in Poland now offer bottles with 350 ml volume.

For additional details please refer to FAS Warsaw GAIN report - [Poland Taxes Soft Drinks_Small Bottles of Alcohol_Energy Drinks](#) September 23,2020

Attachments:

No Attachments.