

PAYMENTS ABOVE PLN 15,000 MUST BE CHANNELLED THROUGH BANK ACCOUNTS

The Finance Ministry are working on amendments to income tax legislation designed to discourage businesses from evading the Freedom of Business Act provisions requiring use of bank accounts for material business-to-business payments.

The current threshold triggering these requirements is EUR 15,000 per payment, but the proposed new law would reduce that to PLN 15,000.

According to this draft, if a B2B payment of more than PLN 15,000 is not made in the form of a transfer between bank accounts, the payment cannot be recognised as tax cost for income tax purposes.

What is more, the proposal provides for a tax cost reduction mechanism where an invoice (or some other document used for making deductions for tax purposes) has been deducted even though it was paid in breach of the new requirements.

The new law is expected to enter into force on 1 January 2017.

We will keep you up-to-date on the progress of this legislation.

If this issue pertains to your business and you are interested in our assistance, please contact your WTS&SAJA consultant or our office.

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