

PROPOSAL TO AMEND PIT AND CIT ACTS IN RELATION TO INNOVATIVE ENTITIES

The lower chamber of Polish parliament (*Sejm*) received on 16 March 2015 a presidential bill to amend certain acts for the purpose of supporting innovations.

Below are some of these proposals:

- Abolish the "new technology" allowance in the PIT and CIT Acts.
- Introduce a new relief for taxpayers reporting R&D expenses. The new relief would allow them to deduct more than they actually spent (120% or 150% of their actual R&D expenses, depending on the status of the given taxpayer).
- Introduce CIT exemption for income from sale of shares by "high-risk entities", i.e. entities engaged solely in financial investments which are made mainly on unregulated markets.

The changes are expected to become effective on 1 January 2016.

The bill is now at the consultations stage. We will keep you posted on the developments of the legislative process in our further newsletters.

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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