

CHANGES TO LEGAL FRAMEWORK FOR LOCAL TAXES

The months to come will witness the entry into force of a number of amendments to the Local Taxes and Levies Act.

Some of the changes are summarised below:

- 1) There will be a **new local levy** imposed on billboards and other advertising structures:
 - the levy will be imposed on, among others, owners of the properties where such boards or structures are situated,
 - the levy can be charged only by those local authorities which have in place codified rules for the siting of landscape structures, billboards, advertising structures and fences,
 - the advertising levy will include a fixed part and a variable part that depends on the surface area of the board or structure,
 - there will be exemptions from the levy, including for those billboards and advertising structures which are not visible from public spaces or are in the nature of signage.
- 2) **The definition of business land, buildings or structures will be changed** so that the term "technical reasons" can apply only to those buildings or structures (or their parts) which:
 - were ordered by the building supervision authorities to be demolished pursuant to the Building Law Act (and the order is final), or
 - were permanently disqualified from use under a final order of the mining supervision authorities.
- 3) **There will be a change in real estate tax payment deadlines** so that if the entire annual tax is no more than PLN 100, it will have to be paid in full within the time otherwise prescribed for the payment of first instalment, and if the tax amount is less than the cost to serve the assessment, the tax authority will not charge the tax.
- 4) There will be a single rate of real estate tax for land under still surface waters or running surface waters of lakes or artificial ponds.

The amending act which introduces the changes described in point 1) above has already been published in the *Journal of Laws* while the bill proposing the changes described in points 2) to 4) was discussed at the Senate session on 12 June 2015 (after the Senate made revisions, the bill is now being processed in the committees).

The amended regulations described in 1) will become effective on 11 September 2015 while the changes described in points 2) to 4) are expected to enter into force on 1 January 2016.

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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