

PRESS RELEASE

POLAND'S NEW DISCLOSURE RULES POSE CHALLENGE FOR CFOS

Warsaw, 21 May 2019 – Mandatory Disclosure Rules (MDR) introduced to the Polish Tax Code earlier this year change the obligations for disclosure of tax arrangements, meaning CFOs need to stay alert to the new requirements they face, says Karolina Stawowska, partner and head of the Tax practice at the Wolf Theiss office in Warsaw.

WOLF THEISS
P. Daszkowski sp.k.
ul. Mokotowska 49
00-542 Warsaw
Poland
T +48 22 378 8900
F +48 22 378 8901
warszawa@wolftheiss.com
www.wolftheiss.com

The new obligations for when and by whom tax arrangements must be reported to the authorities are the effect of transposition of EU Directive 2018/822 of 25 May 2018 on the mandatory disclosure and automatic exchange of cross-border tax arrangements (DAC 6). However, Poland's regulations are broader.

Unlike the directive, which aims to prevent cross-border tax avoidance, the Polish definition of "reportable arrangements" also includes non-cross-border structures. Poland also has a longer list of "hallmarks" or structures that are potentially indicative of tax avoidance.

"What is crucial to remember is that the reporting obligation may arise even in cases where no actual tax benefit is obtained by the taxpayer," said Karolina Stawowska during the 9th CFO Forum (IX Forum Dyrektorów Finansowych), which took place in Warsaw on May 15.

The reporting obligation for tax arrangements is imposed on promoters, beneficiaries or service providers, and may vary depending on the nature of the transaction. "It's not true that the reporting entity may only be a lawyer or a tax advisor, but rather anyone who is engaged in promoting or implementation of a tax arrangement, for example a CFO or chief accountant," Karolina Stawowska said.

She advises companies to set up systems that identify and monitor reportable transactions and structures, establish procedures for such reporting and ensure that employees are trained on the issues.

ABOUT WOLF THEISS

Wolf Theiss is one of the leading European law firms in Central, Eastern and South-Eastern Europe with a focus on international business law. With 340 lawyers in 13 offices located in Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine, Wolf Theiss represents local and international industrial, trade and service companies, as well as banks and insurance companies. Combining law and business, Wolf Theiss develops comprehensive and constructive solutions on the basis of legal, fiscal and business know-how.

For further information please contact:

Marta Niedzialek, MBA
Operations and Marketing Communications Manager

WOLF THEISS
P. Daszkowski sp.k.
ul. Mokotowska 49, 00-542 Warszawa, Polska
Tel.: +48 603 910 062
E-Mail: marta.niedzialek@wolftheiss.com

www.wolftheiss.com

