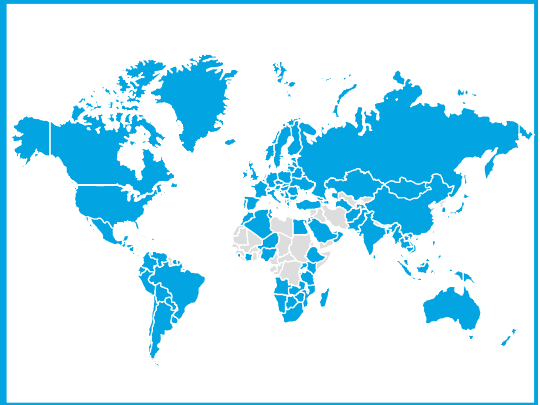


EXPATRIATES

Poland

Tax facts for international assignees



INCOME TAX: WHO IS LIABLE/RESIDENCY

Residents are taxed on worldwide income (unlimited taxation). Non-residents are taxed only on income sourced in Poland (limited taxation).

An individual with a place of residence in the Republic of Poland is a person who:

- Is physically present in Poland for more than 183 days during a tax year, or
- Has a center of personal and/or economic interests within Poland (center of vital interests).

The above rules are applied taking into account the provisions of relevant tax treaties. Therefore, even if, in the light of Poland's national legislation, a person passes the residence test for Poland, the appropriate criteria contained in an international treaty must be applied to determine what country is that person's actual place of residence for tax purposes.

Taxable Income

Taxable income in Poland is calculated based on the totals from the following categories:

- Labor-based relationship and employment relationship, including cooperative employment relationship, retirement or disability pension
- Personal services
- Non-agricultural business activity
- Special departments of agricultural production
- Lease, sublease, tenancy, sub-tenancy and other similar agreements
- Monetary capital and property rights
- Paid disposal of, among other things, real property or parts thereof and real property interests, movables
- Other sources.

INCOME TAX RATES

Taxable base	Tax rate
Up to PLN 85 528	18% minus tax relief
PLN 85 528 & over	PLN 14 839.02 + 32% of surplus over PLN 85 528

Natural persons in Poland are subject to personal income tax calculated according to the progressive tax scale. Tax rates vary depending on the income earned, defined as the total revenue decreased by tax deductible costs earned within tax year.

SOCIAL TAX RATES

	Total	Employee	Employer
Retirement	19.52%	9.76%	9.76%
Disability	8.00%	1.50%	6.50%
Health	9.0%	9.0%	-
Illness	2.45%	2.45%	-
Accident	0.67-3.33%	-	0.67-3.33%
Labour Fund	2.45%	-	2.45%
Benefit Fund	0.10%	-	0.10%

Social security system covers retirement, disability, accident, illness and health insurance.

For further information and to register for future updates contact expat@bdo.global

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