Personal Income Tax in Focus – Upcoming Changes Announced by the Government

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A draft of amendments to the PIT, CIT, and other laws has been published on the RCL website.

The aim of the proposed regulations is to further tighten the tax system in Poland.

Below, we outline the key proposed amendments to PIT, which may have a significant impact on your business operations and tax burden.

The new rules **may come into force as early as January 1, 2026**.

It is worth preparing for them in advance — especially since they may be particularly relevant for:

- individuals providing B2B services to related parties;
- participants of incentive/loyalty programs based on financial instruments, as well as companies implementing such programs;
- individuals planning to sell or purchase real estate;
- entrepreneurs buying out vehicles or other movable assets from operating leases, as well as their family members;
- taxpayers applying the IP BOX relief.

LUMP-SUM TAX – HIGHER PIT RATE FOR SERVICES PROVIDED TO RELATED PARTIES

- If an entrepreneur provides services to a related party and applies lump-sum income taxation, the revenue from such services will be subject to a **17% lump-sum tax rate**.
- The higher rate would apply to income earned from virtually all types of services (with certain exceptions) for which the current version of the law provides lump-sum rates ranging from 3% to 15%
- According to the justification to the draft, the regulation is intended to apply to income from services provided to partnerships and capital companies in which the entrepreneur is **a shareholder/partner, a management board member**, or maintains other relationships that are considered relations within the meaning of transfer pricing regulations

CHANGES TO INCENTIVE / LOYALTY PROGRAMS

- The draft introduces amendments to Article 10(4) of the PIT Act. According to its new wording, income derived from:
    - disposal to the issuer or a related entity of **subscription warrants** and pre-emptive rights, and

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- disposal to the issuer, issuer's affiliate, or the exercise of rights arising from: securities (as referred to in Article 3(1)(b) of the Act on Trading in Financial Instruments), derivative financial instruments, and other property rights not mentioned above,

will be classified as income from the source under which **a benefit in kind, gratuitous benefit, or partially paid benefit** in the form of property rights was received.

- This rule will also apply to income from benefits received in connection with the waiver of rights related to the holding of such rights.
- These provisions will not apply in cases where the received benefit is classified as income from business activity (non-agricultural) or from special branches of agricultural production.
- According to the justification to the draft, the planned regulations will not affect the specific taxation rules applicable to income earned under incentive programs referred to in Article 24(11–12b) of the PIT Act.

TIGHTENING OF CRITERIA FOR CLAIMING THE SO-CALLED HOUSING RELIEF

- The right to claim the housing relief will be granted based on the **"satisfaction of one's own housing needs."**
- Expenses incurred for the purchase of real estate or rights of a residential nature, as well as land for the construction of a residential building, will be considered as satisfying one's own housing needs—provided that **the taxpayer is not, at the same time, the owner (or co-owner) of another residential property or residential rights**.
- However, if the taxpayer does own such other property or rights, they will still be eligible for the relief if, within 3 years from the end of the year in which the paid disposal took place, they transfer the property or rights to persons classified in Group I under the Inheritance and Donation Tax Act, to the State Treasury, or to a municipality.
- For the purposes of assessing eligibility for the housing relief, residential properties or rights acquired through inheritance will not be taken into account.

TRANSFER OF MOVABLE PROPERTY WITHIN THE ENTREPRENEUR'S FAMILY

- The rules for taxing the sale of movable property (e.g. a car) will be tightened when the item was previously transferred free-of-charge by an entrepreneur (e.g. through a donation) who used the asset under an operating lease as part of their business activity.
- PIT will apply if all of the following conditions are met:
  - the seller is a close family member of the entrepreneur, and the item was used in the entrepreneur's business activity,
  - at the time of the free-of-charge transfer, the family member benefited from an inheritance and donation tax exemption,
  - **the sale takes place within 3 years** of receiving the item (as opposed to the current 6-month period).

SELECTED OTHER CHANGES IN PIT

Solidarity Levy:

- IP Box income to be subject to the solidarity levy.

- Clarification that:
    - tax losses from previous years may be deducted, and
    - the right to apply other deductions is excluded when calculating the solidarity levy.

Datio in solutum (debt settlement by transfer of property):

- Clarification that, in the case of a sale of real estate, property rights or other assets referred to in Article 10(1)(8) of the PIT Act, the taxable income is the amount of the liability settled through the sale (e.g. a loan or credit).

IP Box:

- Introduction of a new condition for applying the 5% PIT rate to income from qualified intellectual property rights.

The above changes are currently at the government drafting stage and may be subject to modification during the further legislative process.

If the proposed regulations may affect your situation, please do not hesitate to contact:

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