

# Polish Tax & VAT Guide for Importers

*Comprehensive Overview of Polish Tax System, VAT Rates, Customs Duties, and Tax Recovery Procedures for International Buyers*

**For:** International buyers importing from Poland

**Topics:** VAT rates, export taxation, import duties, tax recovery, compliance

**Updated:** November 2025

**Status:** Based on 2024 Polish tax regulations

**IMPORTANT:** This guide provides general information about Polish tax regulations. For specific transactions, always consult with qualified tax advisors or accountants. Tax laws change regularly - verify current rates and regulations before making decisions.

## Table of Contents

1. Polish VAT System Overview	3
2. VAT Rates in Poland 2024	4
3. VAT Treatment for Exports	5
4. Import VAT and Customs Duties	7
5. VAT Recovery for Non-EU Businesses	9
6. Corporate Income Tax (CIT)	10
7. Withholding Tax (WHT)	11
8. Transfer Pricing	12
9. Tax Compliance Requirements	13
10. Practical Scenarios and Examples	14
11. Tax Planning Strategies	16
12. Quick Reference Guide	17

# 1. Polish VAT System Overview

Poland's Value Added Tax (VAT), known as 'Podatek od towarów i usług' (PTU), follows EU VAT directives while maintaining some national specifics. Understanding the Polish VAT system is essential for international buyers to accurately calculate costs and ensure compliance.

## Key Facts About Polish VAT:

- VAT is charged on most goods and services sold in Poland
- Poland has been EU member since 2004 - follows EU VAT rules
- Standard rate: 23% (one of the highest in EU)
- Multiple reduced rates available for specific goods/services
- Export sales can qualify for 0% VAT rate
- VAT registration threshold: PLN 200,000 annual turnover (~€45,000)

## Who Pays VAT?

Transaction Type	Who Pays VAT	Rate Applied
Export outside EU	No one (0% rate)	0%
Intra-EU supply (valid VAT ID)	Buyer in their country (reverse charge)	0% in Poland
Intra-EU supply (no valid VAT ID)	Polish supplier	23% (standard)
Import into Poland	Importer at customs	Destination country rate
Domestic sale	End customer	23% (standard)

## 2. VAT Rates in Poland 2024

Poland applies four different VAT rates plus exemptions. Knowing which rate applies to your products is crucial for accurate pricing and compliance.

Rate	Application	Example Products/Services
<b>23% Standard</b>	Most goods and services Default rate	<ul style="list-style-type: none"><li>• Industrial products</li><li>• Electronics</li><li>• Machinery</li><li>• Business services</li><li>• Professional services</li></ul>
<b>8% Reduced</b>	Selected goods and services	<ul style="list-style-type: none"><li>• Passenger transport</li><li>• Hotels and accommodation</li><li>• Restaurants</li><li>• Construction services</li><li>• Some medical equipment</li></ul>
<b>5% Super-reduced</b>	Basic necessities	<ul style="list-style-type: none"><li>• Basic food items (bread, milk, meat)</li><li>• Books and newspapers</li><li>• Agricultural products</li><li>• Some pharmaceuticals</li></ul>
<b>0% Zero rated</b>	Exports and specific supplies	<ul style="list-style-type: none"><li>• Exports outside EU</li><li>• Intra-EU supplies (valid VAT ID)</li><li>• International transport</li><li>• Some financial services</li></ul>
<b>Exempt No VAT</b>	Specific sectors (no input VAT deduction)	<ul style="list-style-type: none"><li>• Healthcare services</li><li>• Education</li><li>• Insurance</li><li>• Financial services</li><li>• Postal services</li></ul>

### Important Notes:

- Manufacturing products typically fall under 23% standard rate
- Mixed supplies may be subject to highest applicable rate
- Temporary rate reductions may apply (check current regulations)
- Classification disputes resolved by Polish tax authorities

### 3. VAT Treatment for Exports from Poland

When Polish suppliers export goods, different VAT treatment applies depending on destination and buyer status. Understanding these rules helps buyers anticipate costs and requirements.

#### Scenario 1: Export Outside EU (0% VAT)

Goods exported to countries outside the European Union can benefit from 0% VAT rate, reducing initial purchase price.

Requirements for 0% Rate:

- Goods must physically leave EU territory
- Export declaration (SAD/EX-1) required
- Proof of export: customs stamp, bill of lading, or CMR with exit confirmation
- Documentation deadline: typically 60-90 days from invoice date
- Invoice must state '0% VAT - export outside EU'

Example:

US buyer purchases machinery worth €100,000 from Polish manufacturer. With 0% export VAT: Invoice shows €100,000 (no VAT added). Without proper documentation: Would show €100,000 + €23,000 VAT = €123,000.

#### Scenario 2: Intra-EU Supply with Valid VAT ID (0% + Reverse Charge)

Sales to VAT-registered businesses in other EU countries can be zero-rated under reverse charge mechanism.

Requirements:

- Buyer must have valid EU VAT ID from another member state
- VAT ID verified through VIES system (online EU verification)
- Goods physically transported to another EU country
- Transport evidence: CMR document, delivery confirmation
- Polish seller files EC Sales List (VAT-UE) monthly or quarterly
- Buyer accounts for VAT in their own country (reverse charge)

Example:

German company (valid DE VAT ID) buys €50,000 of furniture from Polish supplier. Polish invoice: €50,000 + 0% VAT (reverse charge). German buyer self-accounts VAT in Germany at German rate (19%).

### **Scenario 3: Intra-EU Supply WITHOUT Valid VAT ID (23% VAT)**

If buyer doesn't provide valid EU VAT ID, standard Polish VAT applies.

- Polish supplier charges 23% VAT
- Treated as domestic sale for VAT purposes
- Buyer may struggle to recover VAT in destination country
- Significantly increases costs for buyer

## 4. Import VAT and Customs Duties

When importing goods into your country from Poland, you'll typically pay import VAT and potentially customs duties at destination. Understanding these costs is essential for total landed cost calculation.

### Import VAT Calculation

Formula:

$\text{Import VAT} = (\text{CIF Value} + \text{Customs Duty}) \times \text{Destination Country VAT Rate}$

Where:

- CIF Value = Cost + Insurance + Freight
- Customs Duty = Based on HS code and origin
- VAT Rate = Rate in destination country (varies by country and product)

### Detailed Example:

Component	Amount	Calculation
Product value (EXW)	€10,000	Base price from supplier
Freight to port	€500	Transport costs
Insurance	€100	Cargo insurance
CIF Value	€10,600	€10,000 + €500 + €100
Customs duty (example 5%)	€530	€10,600 × 5%
Customs value + duty	€11,130	€10,600 + €530
<b>Import VAT (example 20%)</b>	<b>€2,226</b>	<b>€11,130 × 20%</b>
<b>Total landed cost</b>	<b>€13,356</b>	<b>€10,600 + €530 + €2,226</b>

### Customs Duties

- Duties based on HS (Harmonized System) commodity codes
- Rates vary: 0% to 17% typically (some products higher)
- Preferential rates available under trade agreements
- EUR.1 certificate can reduce/eliminate duties for EU exports
- Check specific HS code for your products

## **VAT Recovery for VAT-Registered Businesses**

- VAT-registered businesses can typically reclaim import VAT
- File VAT return in your country showing import VAT as input tax
- Reduces effective cost of import VAT to zero for eligible businesses
- Timing: usually recovered in next VAT return period (monthly/quarterly)



## 5. VAT Recovery for Non-EU Businesses

Non-EU businesses that incur Polish VAT on certain expenses may be eligible for refund through the VAT refund mechanism.

### Eligible Expenses

- Business travel costs in Poland (hotels, car rentals, fuel)
- Trade fair participation expenses
- Professional services received in Poland (consulting, legal)
- Training and conference fees
- Advertising and marketing services

### Non-Eligible Expenses

- Goods purchased for resale
- Entertainment expenses
- Personal expenses
- Fuel for private vehicles (generally not recoverable)

### Refund Process

Step	Action	Details
1	Check eligibility	Verify your country has reciprocity agreement with Poland
2	Collect invoices	Original VAT invoices with your business details
3	Submit application	Through your home country tax authority (electronic portal)
4	Processing time	Typically 4-6 months from submission
5	Receive refund	Direct bank transfer in EUR or PLN

### Key Requirements

- Minimum refund amount: €400 per year or €50 per quarter
- Application deadline: 6 months after calendar year end
- Reciprocity agreement between Poland and your country required
- Proper VAT invoices with all required information
- No taxable activities in Poland (no permanent establishment)

## 6. Corporate Income Tax (CIT) Overview

While international buyers don't typically pay Polish CIT, understanding it helps in supplier negotiations and transfer pricing discussions.

Entity Type	CIT Rate	Notes
Standard companies	19%	Most Polish companies
Small taxpayers (revenue <€2M)	9%	Qualifying small businesses
Non-residents (passive income)	20%	Dividends, interest, royalties (reduced by tax treaties)

### Relevance for International Buyers:

- Supplier pricing reflects CIT burden - understand their tax position
- Small taxpayers (9% rate) may offer more competitive pricing
- CIT doesn't directly affect B2B buyers (unlike VAT)

## 7. Withholding Tax (WHT)

Withholding tax applies to certain payments from Polish companies to foreign entities. Relevant for service payments, royalties, and interest.

Payment Type	Standard WHT Rate	Treaty Reduction
Royalties	20%	Often reduced to 5-10%
Interest	20%	Often reduced to 0-10%
Dividends	19%	Often reduced to 5-15%
Management fees	20%	May be reduced or eliminated
Goods sales	0%	No WHT on goods

- Poland has Double Tax Treaties with 80+ countries
- Certificate of tax residence required to claim treaty benefits
- Good news: No WHT on regular goods purchases

## 12. Quick Reference Guide

Topic	Key Information
Standard VAT Rate	23% - applies to most goods
Reduced VAT Rates	8% (selected goods), 5% (basic necessities)
Export VAT (outside EU)	0% - with proper documentation
Intra-EU (valid VAT ID)	0% + reverse charge in buyer country
Intra-EU (no VAT ID)	23% Polish VAT applies
Import VAT	Paid in destination country on CIF + duty
Corporate Income Tax	19% standard, 9% small taxpayers
Withholding Tax	20% (reduced by tax treaties)
VAT Registration	Threshold PLN 200,000 (~€45,000)
VAT Refund Minimum	€400/year or €50/quarter
Tax Treaties	80+ countries with Poland

## Useful Resources

Resource	Website	Purpose
Polish Ministry of Finance	<a href="http://www.finanse.mf.gov.pl">www.finanse.mf.gov.pl</a>	Official tax information
VAT rate search	<a href="http://www.pkf.pl/vat-rates">www.pkf.pl/vat-rates</a>	Current VAT rates by product
VIES VAT validator	<a href="http://ec.europa.eu/taxation_customs/vies">ec.europa.eu/taxation_customs/vies</a>	Verify EU VAT numbers
PwC Poland	<a href="http://www.pwc.pl/en">www.pwc.pl/en</a>	Tax advisory and updates
B2BPoland.com	<a href="http://www.b2bpoland.com">www.b2bpoland.com</a>	Connect with Polish suppliers

This guide provides general information current as of 2024. Tax regulations change regularly. Always verify current rates and consult qualified tax professionals for specific

transactions.

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