

## *Taxing Energy Use 2018*

### **Poland**

This note describes the taxation of energy use in Poland. It contains the country's energy tax profiles, followed by country-specific information to complement the general discussion in *Taxing Energy Use 2018* (OECD, 2018). The note contains four energy tax profiles for Poland:

Figure 1: Effective tax rates on energy use in national currency and EUR/GJ, 2015, including electricity output taxes and energy use from biomass

Figure 2: Effective tax rates on energy use in national currency and EUR/tCO<sub>2</sub>, 2015, including electricity output taxes and energy use from biomass

Figure 3: Effective tax rates on energy use in national currency and EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output, including carbon emissions from biomass

Figure 4: Effective tax rates on energy in national currency and EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output and carbon emissions from biomass

The main insights from the second vintage of the *Taxing Energy Use* database, including a systematic comparison of patterns of the taxation of energy use across countries, sectors and fuels is available in *Taxing Energy Use 2018* (OECD, 2018) at: <http://oe.cd/TEU2018>.

### Energy tax profiles for Poland

Figure 1: Effective tax rates on energy use in national currency and EUR/GJ, 2015, including electricity output taxes and energy use from biomass

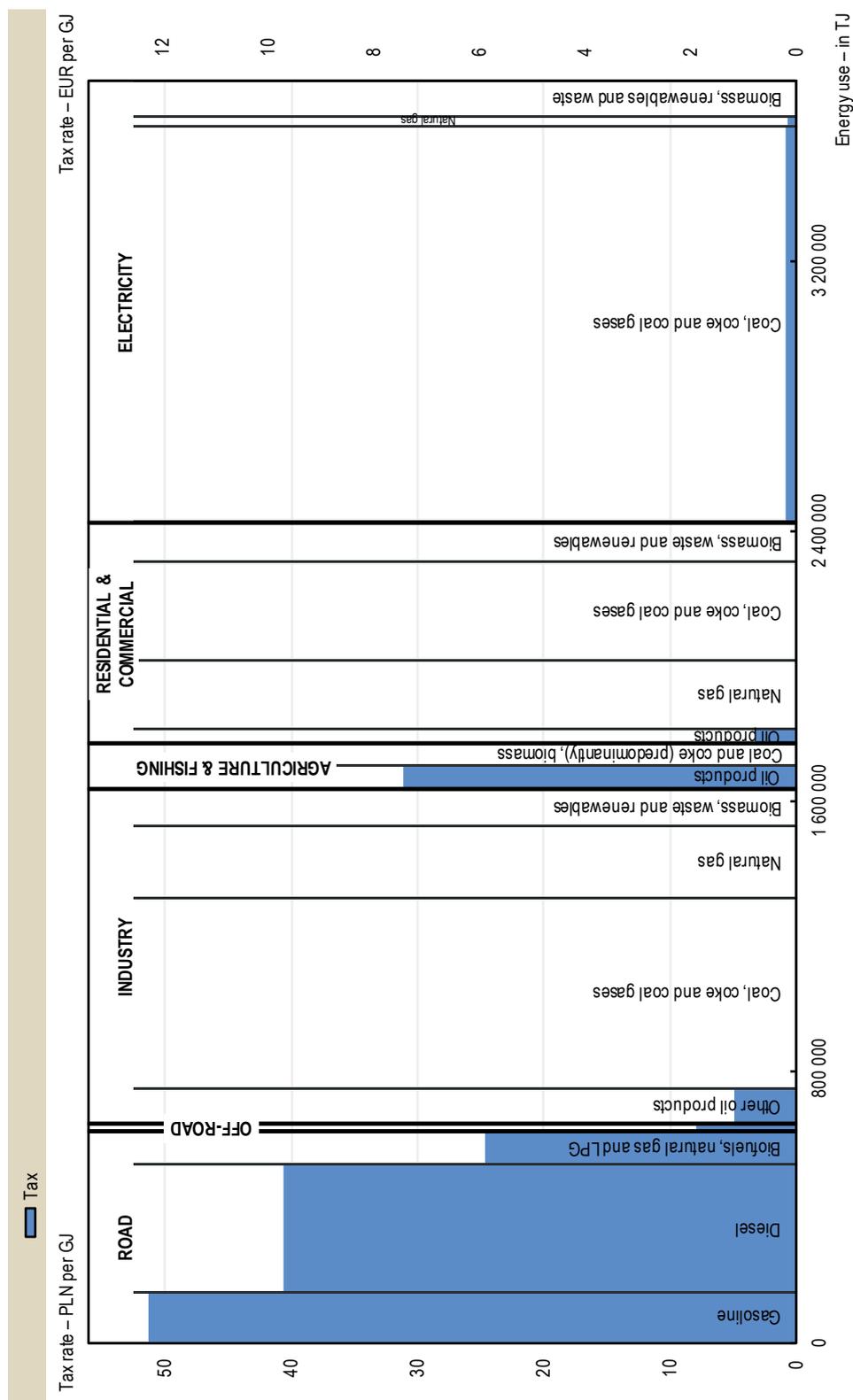


Figure 2: Effective tax rates on energy use in national currency and EUR/tCO<sub>2</sub>, 2015, including electricity output taxes and carbon emissions from biomass

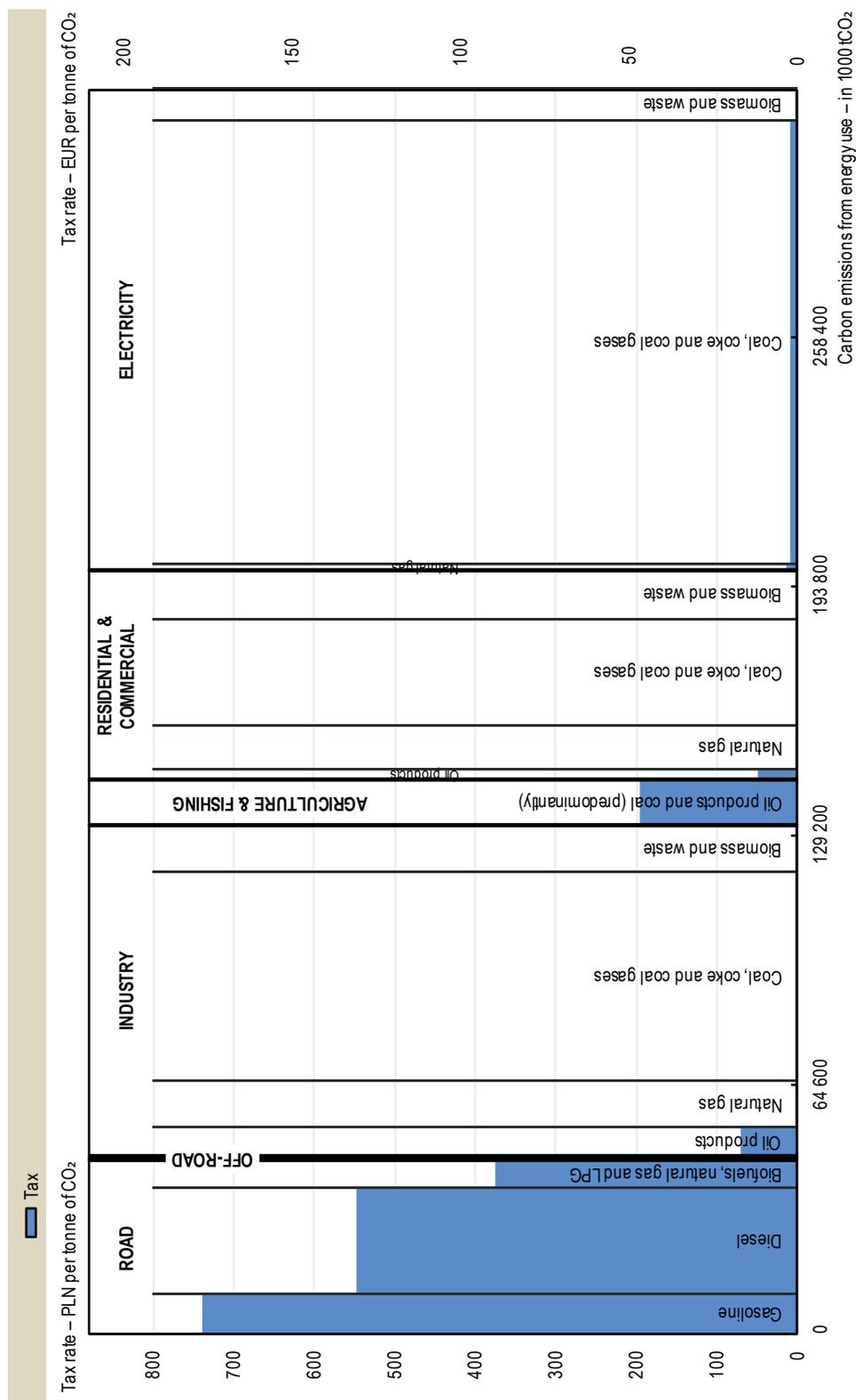


Figure 3: Effective tax rates on energy use in national currency and EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output, including carbon emissions from biomass

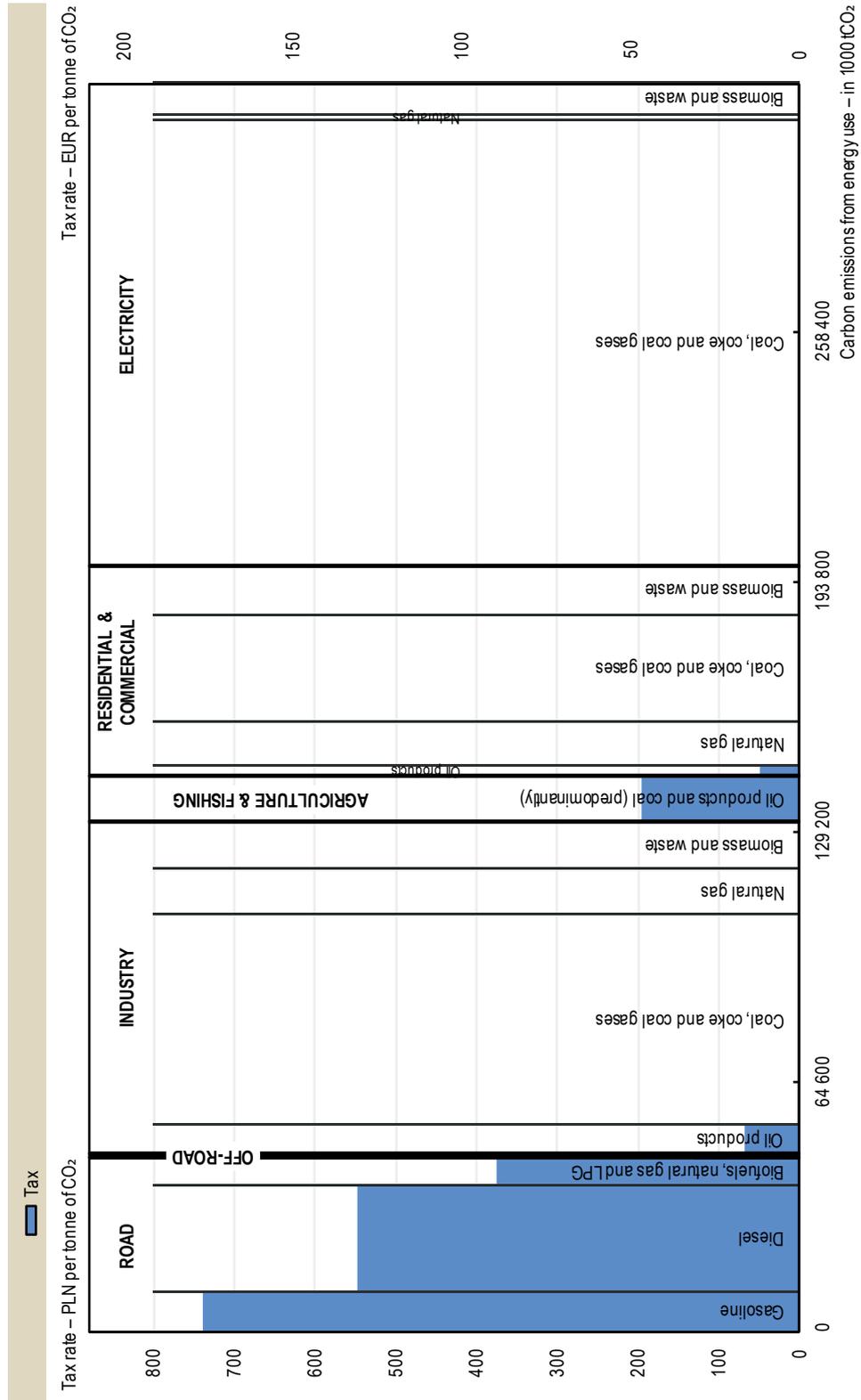
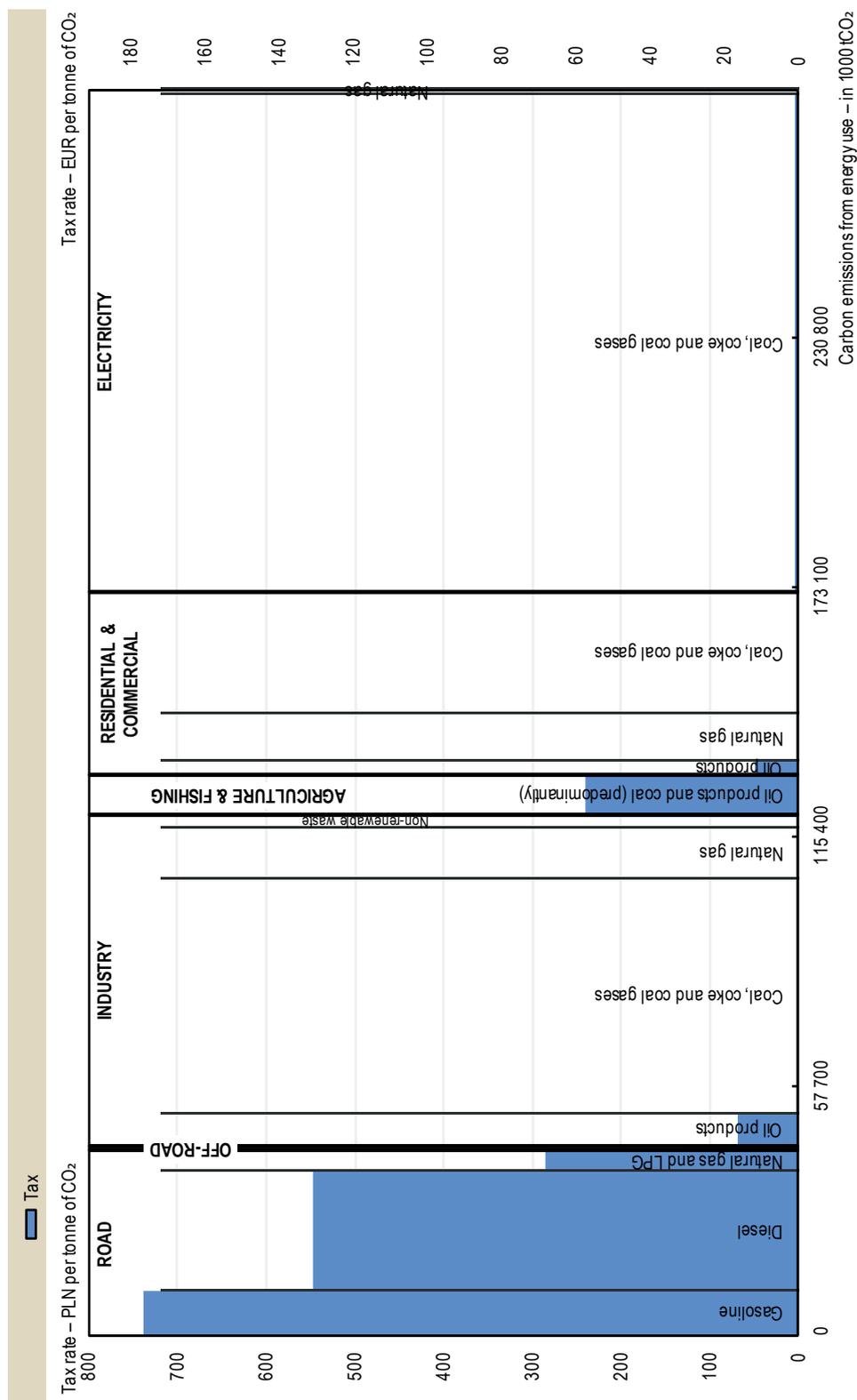


Figure 4: Effective tax rates on energy use in national currency and EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output and carbon emissions from biomass



## Country-specific notes

This note describes the taxation of energy use in Poland. It contains the country's energy tax profiles, accompanied by country-specific information to complement the general discussion in *Taxing Energy Use 2018* (OECD, 2018). Tax rates are those applicable in April 2015, energy use data are for 2014.

The data shown in the energy tax profiles is from the OECD's *Taxing Energy Use* (TEU) Database. More detail on the TEU Database, the calculation of effective tax rates on energy use and the interpretation of the energy tax profiles can be found in *Taxing Energy Use 2018* (OECD, 2018).

Poland participates in the European Union emissions trading system (ETS), not shown in the energy tax profiles.<sup>1</sup>

### *Energy and carbon taxes*

Energy and carbon taxes in Poland are levied within the framework of the 2003 EU Energy Tax Directive, which sets minimum rates for the taxation of energy products in member states. Within this framework, the main taxes on energy use in Poland are the following:

- An excise tax applies oil products, natural gas and coal and coke across all sectors, oil products and natural gas used in transport are taxed with an additional fuel tax.
- Electricity output is taxed (per MWh).

The rates at which these taxes apply can further differ across fuels and different users, as described below.

These taxes are included in the energy tax profiles of Poland, but the tax on electricity output is only included where separately indicated. Where more than one tax rate applies to an energy user or fuel, the energy tax profile shows their sum.

### *Effective tax rates on energy use for different fuels and users*

The tax rates on different fuels and uses are linked to Poland's energy use<sup>2</sup> to calculate effective tax rates on energy use (in PLN/TJ and EUR/TJ) or CO<sub>2</sub> emissions from energy use (in PLN/tCO<sub>2</sub> and EUR/tCO<sub>2</sub>). Energy use and the CO<sub>2</sub> emissions associated with it are shown for six economic sectors: road transport, domestic offroad transport, industry, agriculture and fishing, residential and commercial, and electricity.

The energy tax profiles (Figures 1 and 2) for Poland show effective tax rates for different fuels and uses in terms of the fuels' energy and carbon content, respectively. Figures 1 and 2 include energy use and carbon emissions from biomass and they show output taxes on electricity. Figure 3 is identical to Figure 2, except that taxes on electricity output are excluded. Figure 4 excludes carbon emissions from biomass and taxes on electricity output.

- Of the six economic sectors, the **road** sector is taxed at the highest rates, both in terms of the fuels' energy and carbon content. Within the road sector, gasoline is taxed at the highest effective tax rate, diesel and LPG are also taxed, but the effective tax rate is lower than the rate on gasoline in terms of TJ and in terms of CO<sub>2</sub>. Biodiesel is taxed at the same statutory rate as its fossil fuel equivalent and biogasoline is untaxed.

1. The OECD's [Effective Carbon Rates](#) contains information on emissions trading systems.

2. Data on energy use is taken from the IEA's Extended World Energy Balances, see section 2.2 of *Taxing Energy Use 2018* (OECD, 2018) for additional detail.

- Fossil fuels in **off-road** transport are taxed, but at lower effective rates than fuel use in road transport. This is because fuels used for domestic navigation are untaxed; natural gas used for domestic aviation is untaxed; and coal and natural gas used in rail transport are untaxed.
- Oil products used in the **industry** and in the **residential and commercial** sectors are taxed, but a range of exemptions apply:
  - Coal and coke consumed for mineralogical, electrolytic and metallurgical processes, as well as for chemical reduction and when used in combined heat and power (CHP) generation are untaxed;
  - Coal and coke, and LPG consumed for residential heating are untaxed;
  - Natural gas is entirely untaxed.
- Oil products used in **agriculture** are taxed, but the fuels used for fishing purposes are untaxed. Agricultural use of coal and coke and natural gas use is untaxed.

Subject to some restrictions, rate reductions are applied to agricultural use of diesel in rural areas. Due to a lack of information on the amounts of energy use and carbon emissions concerned, this measure is not shown in the graphs.

- Fuels used to generate **electricity** are untaxed, but electricity output is taxed (per MWh).

Electricity used in combined heat and power (CHP) generation, in chemical reduction, in electrolytic processes, in metallurgical processes, in mineralogical processes or used for domestic navigation and fishing purposes is untaxed.

### ***Reported tax expenditures and rebates***

Poland does not report any tax expenditures with regards to the taxes included in the *Taxing Energy Use* data.

### ***Sources***

The main insights from the second vintage of the *Taxing Energy Use* database are analysed in:

OECD (2018), *Taxing Energy Use 2018 – Companion to the Taxing Energy Use Database*, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264289635-en>

Apart from the general sources included in OECD (2018) and consultation with national delegates, no country-specific sources were used.