

Poland

Transfer Pricing Country Profile¹

October 2025

		SUMMARY	REFERENCE
The Arm's Length Principle			
1	Does your domestic transfer pricing framework² make reference to the arm's length principle?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 11c of the Corporate Income Tax Act (CIT act) Article 23o of the Personal Income Tax Act (PIT act)
2	Does your domestic transfer pricing framework give the OECD Transfer Pricing Guidelines any role or status (e.g. legal binding effect, subsidiary application in the absence of domestic legislation, source of interpretation of domestic legislation and/or treaty provisions, other)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	The OECD Transfer Pricing Guidelines are not part of the Polish law. However, based on the court rulings, they are treated as good practice and point of reference that assist in interpretation of tax regulations regarding transfer pricing.

¹ Information in transfer pricing country profiles is provided directly by jurisdictions. By publishing the transfer pricing country profiles on the OECD website, the OECD does not certify the accurateness of the information provided therein. Importantly, transfer pricing country profiles published on the OECD website are made available to stakeholders for information purposes only, and are not intended to be used in substitution to a jurisdiction's legal instruments, jurisprudence, or administrative guidance or practice nor relied on as an accurate and complete description of domestic law.

² For purposes of transfer pricing country profiles, the term "domestic transfer pricing framework" refers to a jurisdiction's domestic legislation, regulations, administrative guidance or practice, jurisprudence or governing general principles in the jurisdiction.

3	<p>Does your domestic transfer pricing framework provide for a definition of related parties applicable for transfer pricing purposes? If so, please provide the definition contained under your domestic transfer pricing framework.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>In general, Polish TP regulations define related parties as those having a direct or indirect relationship that involves exerting significant influence. This can generally take any of the following forms:</p> <ul style="list-style-type: none"> – through ownership, management or control relationships (25% threshold of capital, voting rights, shares, or rights to participate in profits); – through the actual ability of an individual to influence key economic decisions; – through family connections. <p>Please refer to the current PIT and CIT provisions for further details.</p>	<p>Article 11a para. 1 point 4 and para. 2 of the CIT act</p> <p>Article 23m para. 1 point 4 and para. 2 of the PIT act</p>												
Transfer Pricing Methods															
4	<p>Does your domestic transfer pricing framework provide for transfer pricing methods to be used in respect of transactions between related parties?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If affirmative, please check those provided for in your legislation:</p> <table border="1" data-bbox="676 843 1529 1002"> <thead> <tr> <th>CUP</th><th>Resale Price</th><th>Cost Plus</th><th>TNMM</th><th>Profit Split</th><th>Other (<i>If so, please describe</i>)</th></tr> </thead> <tbody> <tr> <td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td></tr> </tbody> </table>	CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (<i>If so, please describe</i>)	<input checked="" type="checkbox"/>	<p>Article 11d para. 1, 2 of the CIT act</p> <p>Article 23p para. 1, 2 of the PIT act</p>					
CUP	Resale Price	Cost Plus	TNMM	Profit Split	Other (<i>If so, please describe</i>)										
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>										
5	<p>Which criterion is provided for in your domestic transfer pricing framework for the application of transfer pricing methods?</p>	<p>Please check all that apply:</p> <p><input type="checkbox"/> Hierarchy of methods <input checked="" type="checkbox"/> Most appropriate method <input type="checkbox"/> Other (<i>if so, please explain</i>)</p>	<p>Article 11d paragraph 3 of the CIT act</p> <p>Article 23p paragraph 3 of the PIT act</p>												

		While selecting the most appropriate method in given circumstances, the respective analysis should cover: conditions which have been agreed or imposed between related entities, the availability of the information necessary for the proper application of the method, as well as the specific criteria for application thereof.	
6	Does your domestic transfer pricing framework contain specific guidance on commodity transactions?	<input type="checkbox"/> Yes <ul style="list-style-type: none"> <input type="checkbox"/> For controlled transactions involving commodities, the guidance contained in paragraphs 2.18-2.22 of the TPG is followed. <input type="checkbox"/> Domestic transfer pricing framework provides for the use of a specific method for controlled transactions involving commodities (<i>if so, please explain</i>) <input checked="" type="checkbox"/> No	
Comparability Analysis			
7	Does your jurisdiction follow (or largely follow) the guidance on comparability analysis outlined in Chapter III of the TPG?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Regulation of the Minister of Finance on TP (CIT) Regulation of the Minister of Finance on TP (PIT)
8	Is there a preference in your jurisdiction for domestic comparables over foreign comparables?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	There is no official preference for domestic comparables in the law. Choice of market (local, regional or global) is based on comparability factor (economic circumstances). Preference to use local data stems from the general guidance on comparability, as local data is generally considered to be more comparable than regional or global data provided that other comparability factors

		are met. Typically, regional or European benchmarks would be used when there is not sufficient reliable data based on domestic comparables.	
9	Does your domestic transfer pricing framework permit the use of secret comparables for transfer pricing assessment purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10	Does your domestic transfer pricing framework allow or require the use of an arm's length range and/or statistical measure (e.g. the interquartile range or other percentiles) for determining arm's length remuneration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Polish TP regulations allow using a range and statistical measures. In general, Local File has to include detailed comparability analysis and description of benchmarking study, including indication what is the arm's length point or range and describe statistical measures, if they were used.	Paragraph 2 point 3 letter c of the Regulation of the Minister of Finance on TP documentation (CIT) Paragraph 2 point 3 letter c of the Regulation of the Minister of Finance on TP documentation (PIT)
11	Are comparability adjustments required under your domestic transfer pricing framework?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Comparability adjustments are performed, if they are necessary to obtain a higher degree of comparability of comparable data to the controlled transaction. This rule is included in Regulations of the Minister of Finance on transfer pricing (CIT – paragraph 4 point 8; PIT – paragraph 4 point 8).	Regulation of the Minister of Finance on TP (CIT) Regulation of the Minister of Finance on TP (PIT)
Intangible Property			
12	Does your domestic transfer pricing framework contain guidance specific to the pricing of controlled transactions involving intangibles?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VI of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	

		Polish domestic legislation does contain specific guidance to the pricing of controlled transactions involving intangibles i.e. describe specifically IP comparability criteria, DEMPE analysis, HTVI, procedure of IP analysis but also tend to rely heavily on the OECD TPG.	
13	Are there any other rules outside your transfer pricing framework that are relevant for the pricing of controlled transactions involving intangibles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Hard-to-Value Intangibles³			
14	Does your domestic transfer pricing framework contain guidance specific to hard-to-value intangibles (HTVI)?⁴	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow the guidance on HTVI in Chapter VI of the TPG? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	Regulation of the Minister of Finance on TP (CIT) Regulation of the Minister of Finance on TP (PIT)
15	If your jurisdiction applies the HTVI approach, what are the conditions for the application of the HTVI approach?	The HTVI approach is applicable if both of the following conditions are met: <ul style="list-style-type: none"> – the intangible fulfils the definition of HTVI indicated in paragraph 2 point 2 of Regulations of the Minister of Finance on transfer pricing – this definition is consistent with the definition contained in p. 6.189 of the OECD TPG, 	Regulation of the Minister of Finance on TP (CIT) Regulation of the Minister of Finance on TP (PIT)

³ Please note that questions in this section are imported from the HTVI questionnaire and integrated into this TPCP to centralise all jurisdiction-related transfer pricing information.

⁴ In the case of jurisdictions that do not apply the HTVI approach (i.e. they responded “no” to question 14), it is not necessary to respond to the remaining questions in the HTVI section and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

	<ul style="list-style-type: none"> – the discrepancies between the forecast and the actual transfer price of HTVI amount to at least 20% of the forecast transfer price. <p>When the above conditions are met, the tax authorities can take into account in assessing the taxpayers income (loss) in terms of the transaction involving HTVI, the circumstances, including comparable data, that could have not been known to its parties on the day of its conclusion and which, if had been known, could have led to a higher or lower transfer price established between related parties. However, the above approach is limited to the circumstances listed in paragraph 3 point 3 of the Regulations of the Minister of Finance on transfer pricing which means that the tax authorities may apply the approach only if:</p> <ul style="list-style-type: none"> – unrelated entities in comparable circumstances would: <ul style="list-style-type: none"> • recalculate the initially determined price based on the price adjustment clause contained in the terms of the agreement, • renegotiate the originally agreed conditions, therein the pricing, • establish contingent payments for the settlement of a comparable transaction, – the taxpayer, as of the date of the transaction, had not taken into account all reasonably foreseeable circumstances, that might affect the level of the transfer price of HTVI. 		
16	Are transactions falling within the scope of the HTVI approach subject to a transfer pricing analysis different from the one established in Chapters I and VI, or to other compliance requirements specifically applicable to transfer prices (e.g. domestic anti-abuse rules)?	Transfer pricing analysis of HTVI is similar to the one established in Chapter I and VI OECD TPG. The regulations on accurate delineation of the controlled transaction and on comparability analysis of intangibles implemented in Poland are generally consistent with the OECD Transfer Pricing Guidelines.	
17	What is the statute of limitations applicable to transactions falling within the scope of the HTVI approach in your domestic transfer pricing framework? Does this statute of limitations differ from those applicable to other transactions?	There is no specific statute of limitation for transactions involving HTVI – the general statute of limitation applies. According to art. 70 paragraph 1 of the Tax Ordinance Act the tax liability expires after 5 years, counting from the end of the calendar year in which the tax payment deadline has expired.	Tax Ordinance Act of 29 August 1997
18	Can taxpayers request a bilateral or multilateral advance pricing agreement (“APA”) for transactions	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Regulation of the Minister of Finance on TP (CIT)

	falling within the scope of the HTVI approach under your domestic transfer pricing framework?	The APA regulations do not provide any restrictions regarding transactions involving HTVI.	<u>Regulation of the Minister of Finance on TP (PIT)</u>
19	What measures exist or approaches have been adopted to avoid the use of hindsight (e.g. training of tax administrators, internal circulars/informative notes)?	The Polish Tax Administration conducts trainings, studies and workshops for tax auditors concerning taxation of MNEs activities, especially transfer pricing. Ensuring that hindsight is not applied is one of the points that is included in those trainings and workshops.	
20	Is it possible for your tax administration to make adjustments under the HTVI approach in open years amounts pertaining to closed years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Adjustments are possible if there is payment spread over time (in open years) or where there is price adjustment clause in the agreement.	
21	Does your domestic transfer pricing framework allow the tax administration to make corresponding adjustments under the HTVI approach in open years for amounts pertaining to closed years?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A General rules regarding corresponding adjustments are applied.	
22	Is it possible for your tax administration to make several adjustments for one single HTVI transaction under the HTVI approach?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No There is no possibility to make several adjustments for one single HTVI transaction for given year. In this regard tax adjustments made on HTVI transactions do not differ from tax adjustment made with respect to other types of transactions. The following general rules apply: According to art. 11c of CIT Act (respectively art. 23o of PIT Act) (the arm's length principle), the tax authority determines the taxpayer's income (loss) in case when the conditions of transaction do not fulfil the arm's length principle. When the tax authority once determined the arm's length conditions of the transaction, there is no legal base to re-determine these conditions. Moreover, art. 282a § 1 of the Tax Ordinance Act states that in the matters resolved by the final decision of the tax authority, the tax inspection cannot be initiated again.	

Intra-group Services

23	<p>Does your domestic transfer pricing framework provide guidance specific to intra-group services transactions?</p>	<p><input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VII of the TPG?</p> <p style="margin-left: 20px;"><input type="checkbox"/> Yes</p> <p style="margin-left: 20px;"><input type="checkbox"/> No (please provide further explanations below)</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> No</p>	
		<p>Polish domestic legislation does not include specific guidance or special measures regarding intra-group services transactions and tend to rely on the OECD TPG.</p>	
24	<p>Does your domestic transfer pricing framework provide for or allow the application of a simplified approach for low value-adding intra-group services?</p>	<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Yes. If so, does it follow (largely follow) the low value-adding services approach in Chapter VII?</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> Yes</p> <p style="margin-left: 40px;"><input type="checkbox"/> No (please provide further explanations below)</p> <p style="margin-left: 20px;"><input type="checkbox"/> No</p>	<p>Article 11f of the CIT Act Article 23r of the PIT Act</p>
		<p>Polish transfer pricing rules include safe harbour for low value-adding services. To qualify for the safe harbour on low value-adding services, the transaction must meet certain conditions:</p> <ul style="list-style-type: none"> – a mark-up on costs is not higher than 5%, in the case that the taxpayer purchases the services; – a mark-up on costs is not lower than 5%, in the case that the taxpayer renders the services; – the service provider is not a subject whose place of residence, seat, or management office is in the territory of or in a country applying harmful tax competition; – the service recipient is in possession of the calculation covering the following information: <ul style="list-style-type: none"> • the type and the amount of the costs included in the calculation, • the manner of application and the grounds for the choice of the allocation keys for all related entities using the services; 	

		<ul style="list-style-type: none"> description of the transaction, including analysis of functions, risks and assets. 	
25	Are there any other rules outside your transfer pricing framework for pricing intragroup services?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Financial Transactions			
26	Does your domestic transfer pricing framework provide guidance specific to financial transactions?	<input type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter X of the TPG? <input type="checkbox"/> Yes <input type="checkbox"/> No (please provide further explanations below) <input checked="" type="checkbox"/> No	
27	Are there any other rules outside your transfer pricing framework that are relevant for the tax treatment of financial transactions? (e.g. whether your jurisdiction has implemented the measures in BEPS Action 4 to limit interest deductions and other financial payments or any similar rules)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Article 15c of CIT Act <p>Taxpayers who are subject to corporate income tax are covered by rules that specify the exclusion of debt financing costs from deductible expenses.</p>
Cost Contribution Arrangements			
28	Does your jurisdiction allow cost contribution arrangements?	<input checked="" type="checkbox"/> Yes. If so, does your domestic transfer pricing framework follow (or largely follow) the guidance in Chapter VIII of the TPG? <input type="checkbox"/> Yes	

	<input checked="" type="checkbox"/> No (please provide further explanations below) <input type="checkbox"/> No	
	Poland does not have separate regulations governing CCA issues. However, the wide scope of the definition of a controlled transaction adopted in the Polish transfer pricing regulations covers cost sharing agreements (CCA).	

Transfer Pricing Documentation

29	Does your domestic transfer pricing framework require the taxpayer to prepare transfer pricing documentation? <p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </p> <p><i>If affirmative, please check all that apply:</i></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Master file consistent with Annex I to Chapter V of the TPG <input checked="" type="checkbox"/> Local file consistent with Annex II to Chapter V of the TPG <input checked="" type="checkbox"/> Country-by-country report consistent with Annex III to Chapter V of the TPG <input checked="" type="checkbox"/> Specific transfer pricing returns (separate or annexed to the tax return) <input type="checkbox"/> Other (specify): 	Article 11k, 11o, 11p, 11t of CIT Act Article 23w, 23za, 23zb, 23zf of PIT Act Article 83, 84, 86 of Exchange of tax information with other countries Act ;
30	Please briefly explain the relevant requirements related to each transfer pricing documentation requirement (i.e. timing for preparation or submission, languages, etc.) <p><u>Master File</u></p> <p>Master file has to be prepared by an entity if it meets jointly the following conditions: (i) entity is part of MNE group which prepares consolidated financial statement; (ii) entity is obliged to prepare Local File under separate requirements; (iii) consolidated revenues of MNE group exceed PLN 200 Million (or its equivalent) in previous financial year.</p> <p>Master File has to be prepared for each financial year by the end of 12th month after the end of that financial year.</p> <p>When Master File has been prepared in English, the tax authority may request the submission of Polish version within 30 days of the request.</p>	Article 11k, 11o, 11p, 11t of CIT Act Article 23w, 23za, 23zb, 23zf of PIT Act Article 83 para.1, art. 84 para. 1 and 2, art. 86 paragraph 1 of Exchange of tax information with other countries Act ;

	<p><u>Local File</u> Local File has to be prepared for a controlled transaction of a homogeneous nature, the value of which, reduced by the goods and services tax, exceeds in the financial year the following documentation thresholds:</p> <ul style="list-style-type: none"> - PLN 10 Million – in case of commodity transaction; - PLN 10 Million – in case of financial transaction; - PLN 2 Million – in case of service transaction; - PLN 2 Million – in case of transaction other than the ones specified above. <p>Additionally uncontrolled transactions with entities from tax heavens have to be documented, if their annual value exceeds:</p> <ul style="list-style-type: none"> - PLN 2.5 Million – in case of financial transaction, - PLN 0.5 Million – in case of other transaction. <p>Local File has to be prepared in electronic form for each financial year by the end of the 10th month following the end of that financial year.</p> <p><u>CbCR</u></p> <p>CBC Report has to be prepared by the entities which belong to MNE groups whose consolidated revenues in the previous financial year exceed:</p> <ul style="list-style-type: none"> - PLN 3,25 Billion - in the case of MNE groups which prepare consolidated financial statements in PLN, - EUR 750 Million (or equivalent) – in other cases. <p>CBC-R report has to be submitted within 12 months from the date of the end of the reporting financial year.</p> <p>The CbC-P notification has to be submitted within 3 months from the end of the reporting financial year.</p> <p>Both the CbC-R report and the CbC-P notification have to be sent to the tax authority by electronic means.</p> <p>Poland has provisions which provide for a local filling or surrogate filing option of CbC-R in certain cases.</p> <p><u>Specific Transfer Pricing Returns – TPR Form</u></p> <p>Taxpayers that are obliged to prepare Local File, and those that were exempted from the Local File obligation for certain transactions, have to file electronic TPR form</p>	
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		(TPR-C; TPR-P). TPR form has to be filed for the financial year by the end of the 11 th month after the end of that financial year.	
31	Does your domestic transfer pricing framework provide for specific transfer pricing penalties and/or compliance incentives regarding transfer pricing documentation?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><u>Local File / Master File / TPR Form</u></p> <p>Polish regulations provide for fines for failing to meet transfer pricing compliance obligations. This includes fines for: failure to prepare Local File, failure to attach Master File, failure to submit TPR Form, providing unreliable documentation inconsistent with actual facts, late preparation of Local File / Master File / TPR Form.</p> <p><u>Country-by-country reporting (CbCR)</u></p> <p>In case the MNE group fails to comply with the obligation to provide CbC-R or submit incomplete or unreliable data, the Ultimate Parent Entity or Constituent Entity of the MNE group designated to submit CbC-R (if such CE had been designed) shall be a subject to a financial penalty.</p> <p>In case the Constituent Entity of the MNE Group which is obliged to prepare CbC-R fails to comply with the obligation to provide CbC notification (CbC-P) or submits incomplete or unreliable data, it shall be a subject to a financial penalty.</p>	Article 90, 91 of Exchange of tax information with other countries Act Article 56c, 80e of Penal Fiscal Code ;
32	Does your domestic transfer pricing framework provide for exemption from transfer pricing documentation obligations?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Polish regulations provide for exemption from Local File obligation in case of certain transactions. Detailed list of exemptions is included in Article 11n of the CIT Act or Article 23z of the PIT Act.</p>	Article 11n, 11o of CIT Act Article 23z, 23za of PIT Act
Administrative Approaches to Avoiding and Resolving Disputes			
33		Please check those that apply: <input checked="" type="checkbox"/> Rulings	Art. 83-107 of DRM Act

<p>Which mechanisms are available in your jurisdiction to prevent and/or resolve transfer pricing disputes?</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Enhanced engagement or cooperative compliance programmes <input checked="" type="checkbox"/> Advance Pricing Agreements (APA) <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Unilateral APAs <input checked="" type="checkbox"/> Bilateral APAs <input checked="" type="checkbox"/> Multilateral APAs <input checked="" type="checkbox"/> International Compliance Assurance Programme (ICAP) <input checked="" type="checkbox"/> Mutual Agreement Procedures <input checked="" type="checkbox"/> Other (<i>please specify</i>): investment agreement (Article 20zs § 1 in connection with Article 20zt point 1 of the Tax Ordinance Act) or tax agreement referred to in Article 20zb point 2 of the Tax Ordinance Act 	<p>Art. 14a, 14b, 20s-20zr, 20zs-20zze of Tax Ordinance Act of 29 August 1997</p> <p>Poland's MAP Profile</p>
<p>Information on APA and MAP is provided in MAP profile.</p>		

Simplified and Streamlined Approach for Baseline Marketing and Distribution Activities

34	<p>Does your domestic transfer pricing framework allow the application of the simplified and streamlined approach for baseline marketing and distribution activities in the relevant Annex of Chapter IV of the TPG?⁵</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Other (please elaborate) 	
37	<p>Does your jurisdiction respect the outcome of the application of the simplified and streamlined approach by a covered jurisdiction in line with the Inclusive Framework political commitment?</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 	

⁵ In the case of jurisdictions that do not apply the simplified and streamlined approach (i.e. they responded “no” to question 34), it is not necessary to respond to questions 35, 36 and 38 and these questions will not be published as part of jurisdiction’s transfer pricing country profile.

Safe Harbours and Other Simplification Measures

<p>39 Does your jurisdiction provide for any safe harbours or other simplification measures in respect of certain industries, types of taxpayers, or types of transactions (not listed in other sections of this questionnaire)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Polish transfer pricing rules recognise safe harbour regulations of financial transactions (loans) and low value-adding services. To qualify for the safe harbour on low value-adding services, the transaction must meet certain conditions:</p> <ul style="list-style-type: none"> – a mark-up on costs is not higher than 5%, in the case that the taxpayer purchases the services; – a mark-up on costs is not lower than 5%, in the case that the taxpayer renders the services; – the service provider is not a subject whose place of residence, seat, or management office is in the territory of or in a country applying harmful tax competition; – the service recipient is in possession of the calculation covering the following information: <ul style="list-style-type: none"> • the type and the amount of the costs included in the calculation, • the manner of application and the grounds for the choice of the allocation keys for all related entities using the services; • description of the transaction, including analysis of functions, risks and assets. <p>To qualify for the safe harbour on loans, the transaction must meet certain conditions:</p> <ul style="list-style-type: none"> – the interest rate of the loan is based on the base interest rate and margin published by the Polish Minister of Finance; – the disbursement of fees other than the interest related to granting or handling the loan, including commissions or bonuses, is not envisaged; – the loan has been granted for a period not longer than 5 years; – during a financial year the total amount of liabilities or dues of a related entity on account of capital or loans, including related entities, calculated 	<p>Article 11f, Art. 11g of CIT Act Article 23r, Art. 23s of PIT Act</p> <p>Announcement of the Minister of Finance of 27 December 2024 on the types of the base interest rate and margin for the purposes of transfer pricing (CIT, PIT)</p>
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		<p>separately for the loans granted and taken out amounts to not more than PLN 20 Million or its equivalent;</p> <ul style="list-style-type: none"> – the lender is not a subject whose place of residence, seat, or management office is in the territory of or in a country applying harmful tax competition. <p>The minister competent for public finance shall, by announcement, publish at least once a year, the type of the basic interest rate and the margin.</p>	
Other Legislative Aspects or Administrative Procedures			
40	Does your domestic transfer pricing framework allow downward corresponding adjustments in the absence of a mutual agreement procedure (e.g. unilateral corresponding adjustments)?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Polish regulations allow unilateral adjustments to be made. The Minister of Finance may adjust the income of domestic related entity if the provisions of international agreements provide for such an adjustment. The adjustment shall be made at the request of the domestic related party.</p>	Art. 64 of DRM Tax Act
41	Does your domestic transfer pricing framework allow or require taxpayers to make year-end adjustments?	<p><input type="checkbox"/> Yes. Year-end adjustments are required.</p> <p><input checked="" type="checkbox"/> Yes. Year-end adjustments are allowed.</p> <p><input type="checkbox"/> No</p> <p>A taxpayer is allowed to make an adjustment of transfer pricing by changing the amount of the revenues earned, or tax deductible costs incurred, provided that the following conditions are jointly fulfilled:</p> <ul style="list-style-type: none"> – in controlled transactions conducted by the taxpayer during a tax year the same conditions have been determined as would be determined by unrelated entities; – there has occurred a change of material circumstances having an impact on the conditions determined during a tax year or the actually incurred costs or earned revenues are known which provide the grounds for calculating the transfer price, and ensuring their compliance with the conditions that would be determined by unrelated entities requires an adjustment; 	Art. 11e of CIT Act Art. 23q of PIT Act

		<ul style="list-style-type: none"> – upon making the adjustment, the taxpayer is in possession of a declaration from the related entity that this entity has made an adjustment of transfer prices in the same amount as the taxpayer; – there is legal ground for the exchange of tax information with the state in which related entity referred to in the bullet above has its place of residence, a seat or a management office. 	
42	Does your domestic transfer pricing framework provide for secondary adjustments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Attribution of Profits to Permanent Establishments			
43	Which version of Article 7 of the OECD Model Tax Convention on Income and on Capital do your tax treaties contain?	<input checked="" type="checkbox"/> Article 7 as it read before 2010. <input checked="" type="checkbox"/> If so, please indicate in how many treaties: please see below <input checked="" type="checkbox"/> Article 7 as it reads after 2010. <input checked="" type="checkbox"/> If so, please indicate in how many treaties: please see below <input type="checkbox"/> Other (please provide additional details)	
		Almost all DTA include pre-2010 version of Article 7. Only one DTA includes post-2010 version of Article 7.	
44	For tax treaties containing Article 7 as it read before 2010, does your jurisdiction apply the authorized OECD approach (AOA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (please explain the approach used and which tax treaties are concerned)	
		AOA is applied to the extent that the approach is not contradictory to the Article 7 included in the respective DTA. Therefore, Poland generally uses approach described in the 2008 Report on the Attribution of Profits to Permanent Establishments.	

45	<p>Does your domestic transfer pricing framework contain specific guidance for the attribution of profits to permanent establishments of non-resident entities? If so, please provide a summary of the main features of this guidance.</p>	<p><input type="checkbox"/> Yes, they follow the AOA as described in the 2008 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they follow the AOA as described in the 2010 Report on the Attribution of Profits to Permanent Establishments</p> <p><input type="checkbox"/> Yes, they do not follow the AOA (please provide a summary of the main features of these rules)</p> <p><input checked="" type="checkbox"/> No</p>	
No specific guidance is provided in the Polish legislation. However, the Polish provisions on transfer pricing consider the company and its permanent establishment to be related entities (approach similar to AOA).			

Other Relevant Information

46	<p>Other legislative aspects or administrative procedures regarding transfer pricing</p>	N/A	
47	<p>Other relevant information (e.g. whether your jurisdiction is preparing new transfer pricing regulations, or other relevant aspects not addressed in this questionnaire)</p>	N/A	

For more information, please visit: <https://www.oecd.org/en/topics/sub-issues/transfer-pricing/transfer-pricing-country-profiles.html>