


## PLANNED CHANGES TO THE MANDATORY DISCLOSURE RULES (MDR) IN POLAND

On February 5, 2020, the Polish Parliament received a draft government bill amending the principles of reporting obligations under the Polish Mandatory Disclosure Rules. The purpose of the proposed changes is to supplement the way Poland implemented the DAC 6 Directive in its local law. The draft bill includes e.g. the obligation to report cross-border arrangements for the second time and an introduction of the cross-border arrangement reporting number. The amendment is expected to enter into force on April 1, 2020.

<b>AMENDING OF REGULATIONS</b>	<p>The purpose of the draft bill is to adapt the mandatory disclosure rules as they have been adopted in Poland to the European Union regulations. As a result of the extended implementation of the MDR Directive by Poland, our domestic format used to report information on cross-border arrangements is incompatible with the EU format. Therefore, data obtained by the tax administration in accordance with the current regulations do not allow for the proper exchange of the reported arrangements with the tax administrations of other EU Member States – which is required by the Directive.</p>
<b>CROSS-BORDER ARRANGEMENTS RE-REPORTING</b>	<p>The draft projects, in practice, an obligation to re-report cross-border arrangements. The Finance Ministry indicates that it cannot process the already possessed data on its own as the required set of data is at the disposal of promoters, users and intermediaries. Hence, <b>the draft bill obligates the entities to re-report cross-border arrangements whose first implementation activity occurred from June 26, 2018 to March 31, 2020.</b> The re-reporting obligation refers to promoters, users and intermediaries and according to the draft bill, an entity to have conducted the previous MDR reporting will now be required to prepare and file the second report to the Chief of the National Revenue Administration.</p>
<b>REPORTING DEADLINES</b>	<p>The new MDR reporting form, which will be compliant with EU requirements, should become available in the coming weeks. The draft bill provides the following deadlines for fulfilling the cross-border arrangements re-reporting obligation:</p> <ul style="list-style-type: none"> <li>■ for promoters - May 31, 2020</li> <li>■ for users - July 30, 2020</li> <li>■ for intermediaries - August 31, 2020.</li> </ul>
<b>CURRENT TAX ARRANGEMENT NUMBERS (NSP) CANCELLED</b>	<p>The adaptation of the current format of the reported data to EU standards also requires that new tax arrangements numbers (NSP) be assigned. <b>The numbers assigned so far to the cross-border tax arrangements will be repealed by law.</b> This means that the Chief of the National Revenue Administration (NRA) will not be obligated to issue a decision on cancellation of these numbers, and the re-reported cross-border tax arrangements will be given new tax arrangements numbers (NSP). Moreover, the amendment draft provides for <b>the introduction of the cross-border arrangement reporting number (NZSPT)</b> – which will be used for the purposes of cross-country tax information exchange.</p>

<b>OTHER CHANGES</b>	<p>The amendment to the regulations also provides for a number of other changes regarding the reporting principles and the construction of tax arrangements. The most important of them include:</p> <ul style="list-style-type: none"> <li>■ introduction, at the national level, the obligation of the Chief of the National Revenue Administration to exchange MDR information with other EU Member States and the European Commission</li> <li>■ extension of one of the specific hallmarks regarding cross-border payments between related entities that are settled as tax deductible costs by covering related entities from non-cooperative jurisdictions EU list</li> <li>■ dispelling of the doubts about the way MDR-3 information (the form filed by users) is signed and filed in the case of legal entities</li> <li>■ the legal possibility to delegate tasks performed by the Chief of the National Revenue Administration in the field of MDR to another body of the National Revenue Administration.</li> </ul>
<b>HOW WE CAN HELP YOU</b>	<p>In order to properly apply the regulations providing for the arrangements reporting obligations, we are glad to offer you our complex support including, among others:</p> <ul style="list-style-type: none"> <li>■ analysis of the background regarding the occurrence of the reporting obligation</li> <li>■ resolving of doubts and identifying of the implemented arrangements</li> <li>■ preparation and implementation of the appropriate internal procedure, for promoters, users and intermediaries.</li> </ul>
<b>CONTACT US</b>	<p><b>This document has been prepared for information purposes only and is of a general nature. Before taking any action pursuant to the above information, we recommend that you obtain an opinion of TPA experts.</b></p> <div> <div>  <p><b>Wojciech Sztuba</b> Partner zarządzający +48 604 966 422 <a href="#">Email</a></p> </div> <div>  <p><b>Mikołaj Ratajczak</b> Associate Partner +48 663 664 260 <a href="#">Email</a></p> </div> </div> <div> <div>  <p><b>Małgorzata Dankowska</b> Partner +48 663 877 788 <a href="#">Email</a></p> </div> <div>  <p><b>Damian Kubiś</b> Partner +48 604 338 546 <a href="#">Email</a></p> </div> </div> <div> <div>  <p><b>Iga Kwaśny</b> Partner +48 601 088 206 <a href="#">Email</a></p> </div> </div>

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