

May 2020

THE DEADLINE FOR SUBMITTING THE APA IMPLEMENTATION REPORT IS SOON TO EXPIRE

Taxpayers who are parties to an Advance Pricing Agreement ("APA"), which is concluded in order to confirm the arm's length prices (and amount of remuneration) applied in transactions with related entities, are obliged to report on the implementation of the agreement during its term.

Templates of electronic report forms on APA implementation for corporate and personal income tax purposes are published on the website of the Ministry of Finance. These forms apply to agreements in force in 2019 and should be submitted to the Head of the National Revenue Administration (KAS) electronically (via the e-Declarations system).

Important aspects related to the APA implementation report:

Deadline for submitting forms	The deadline for submitting these forms is the same as the deadline for submitting the annual tax return. For entities having a financial year in line with the calendar year, the deadline is therefore the end of March (or April in the case of natural persons). In view of the exceptional economic situation caused by the COVID-19 epidemic, the deadline for submitting the tax return for both legal and natural persons was postponed until the end of May 2020. Thus, taxpayers with a tax year equal to the calendar year have time until the end of May to report on the implementation of the APA.
Form elements / required information	<p>The elements of the form have not changed significantly with the introduction of new templates. These changes mainly consisted in using different terminology and extending the obligation to include individual reporting data for each entity.</p> <p>Elements of the reports submitted include, i.a.</p> <ul style="list-style-type: none"> ■ taxpayer's data ■ data on the reported Advance Pricing Agreement (including the date of concluding it and its term) ■ data of related entities to which the agreement applies ■ transfer pricing verification method during the reporting period.
Legal basis	<p>The obligation to prepare reports was introduced by Article 107 of the Act on Resolution of Double Taxation Disputes and Conclusion of Advance Pricing Agreements (Journal of Laws of 2019, item 2200).</p> <p>The templates of the forms have been published in:</p> <ul style="list-style-type: none"> ■ the Ordinance of the Minister of Finance of December 23, 2019 on the template report on the implementation of the advance pricing agreement for corporate income tax payers (Journal of Laws of 2019, item 2502), and ■ the Ordinance of the Minister of Finance of 23 December 2019 on the template report on the implementation of the advance pricing agreement for personal income tax payers (Journal of Laws of 2019, item 2537).

CONTACT

This document was prepared for informational purposes only and is of a general nature. Every time before taking actions on the basis of the presented information, we recommend obtaining a binding opinion of TPA Poland experts.

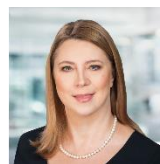


Małgorzata Dankowska

Partner

+48 663 877 788

[Email](#)



Joanna Kubińska

Associate Partner

Head of Transfer Pricing

+48 502 184 882

[Email](#)



Damian Kubiś

Partner

+48 604 338 546

[Email](#)

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