

BIAŁYSTOK LAW BOOKS

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Mariusz Popławski

INTRODUCTION
TO POLISH TAX LAW



Temida2
Białystok 2011

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Editor-in-Chief: Jerzy Banasiuk

Cover design: Jerzy Banasiuk

Publisher: Temida 2, Faculty of Law, University of Białystok

Series Editor: Izabela Kraśnicka

English language consultant: Ewa Oksieñ

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ISBN: 978–83–62813–17–9

ISSN: 2083–9790

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LIST OF ABBREVIATIONS

- Act on Agricultural Tax – Act of 15.11.1984 Law on Agricultural Tax (Journal of Laws of 2006, No. 136, item 969 as amended)
- Act on Excise Duty – Act of 6.12.2008 Law on Excise Duty (Journal of Laws of 2009, No. 3, item 11 as amended)
- Act on Forestry Tax – Act of 30.10.2002 Law on Forestry Tax (Journal of Laws No. 200, item 1682)
- Act on Gambling Activities – Act of 19.11.2009 Law on Gambling Activities (Journal of Laws No. 201, item 1540 as amended)
- Act on Inheritance and Donation Tax – Act of 28.7.1983 Law on Inheritance and Donation Tax (i.e. Journal of Laws of 2009, No. 93, item 768 as amended)
- Act on Lump–Sum Tax – Act of 20.11.1998 Law on Lump–Sum Income Tax on Some Revenues Earned by Natural Persons (Journal of Laws No. 144, item 930 as amended)
- Act on Stamp Duty – Act of 16.11.2006 Law on Stamp Duty (Journal of Laws No. 225, item 1635 as amended)
- Act on Tax on Civil Law Transactions – Act of 9.9.2000 Law on Tax on Civil Law Transactions (i.e. Journal of Laws of 2010, No. 101, item 649 as amended)
- Act on Tonnage Tax – Act of 24.8.2006 Law on Tonnage Tax (Journal of Laws No. 183, item 1353 as amended)

Act on VAT Tax	- Act of 11.3.2004 Law on Tax on Goods and Services (Journal of Laws No. 54, item 535 as amended)
a.t.r.	- advance tax rulings
CT	- Constitutional Tribunal
EU	- European Union
L.C.I.T	- Act of 15.2.1992 Law on Corporate Income Tax (i.e. Journal of Laws of 2000, No. 54, item 654 as amended)
L.L.T.	- Act of 12.1.1991 Law on Local Taxes and Fees (i.e. Journal of Laws of 2010, No. 95, item 613 as amended)
L.P.I.T	- Act of 26.7.1991 Law on Personal Income Tax (i.e. Journal of Laws Journal of Laws of 2010, No. 51, item 307 as amended)
L.S.G.	- Act of 8.3.1990 Law on Self-Government - (i.e. Journal of Laws of 2001, No. 142, item 1591 as amended)
OECD	- Organization for Economic Co-operation and Development
PAC	- Provincial Administrative Court
P.B.A.C	- Act of 30.8.2002 Law on Proceedings before Administrative Courts (Journal of Laws No. 153, item 1270 as amended)
SAC	- Supreme Administrative Court in Warsaw
T.O.	- Act of 29.8.1997, Tax Ordinance (i.e. Journal of Laws of 2005, No. 8, item 60 as amended)
TEC	- Treaty Establishing the European Community
TFEU	- Treaty on the Functioning of the European Union
The Republic of Poland's Constitution	- the Constitution of the Republic of Poland of 2.4.1997 (Journal of Laws No. 78, item 483 as amended)
VAT	- Value added tax

INTRODUCTION

This study is an attempt made to present the Polish tax law in force. The study has been assumed to be of a general nature. Its purpose is to present basic mechanisms specific to tax law. It is not the author's intention, however, to make a profound analysis of the provisions regulating taxes, or evaluate them. Nevertheless, it does not mean that one can find neither detailed considerations nor references to practice in this paper at all. It has been decided that it would be the easiest to find out about some, frequently quite complicated, institutions of tax law if they are presented in the context of specified factual conditions. Therefore the examples which may appear in reality will sometimes be indicated therein. Principles of specific tax law mechanisms' operation will be presented through these examples' prism.

The book has been divided into three parts. The first one is devoted to basic issues. It may help a reader to find out about the essence of tax law. It will be possible to achieve this by learning, inter alia, about the notion of the tax, sources of tax law as well as the specifics of making and applying tax law provisions.

In the second part, the institutions of the so called general tax law are presented. They include both substantive law (e.g. manners of tax obligations' formation) and procedural law institutions (e.g. principles of conducting tax proceedings). It is difficult to overestimate the importance of the instruments included in this part of the study. Learning about tax law, it seems that the greatest attention should be paid just to this fragment of law. It is connected with at least two matters. Firstly, general tax law institutions apply to each tax being in force in Poland. One cannot be an expert in the area of any tax considerations without the knowledge of general tax law. Secondly, this part of tax law is quite stable. It does not undergo as frequent changes as provisions of specific tax law. In consequence, it is more probable that the knowledge acquired in the area of general tax law will be up-

to–date for a longer time. Therefore the issues of general tax law are discussed in more details therein.

The third part of this publication is devoted to specific tax law. Some chapters refer solely to individual taxes. It is so in the case of personal income tax, corporate income tax and tax on goods and services. It has been assumed that these considerations should be discussed in relatively more details due to their substantial practical importance in particular. Other chapters describe several allowances or forms of taxation. It has been assumed therein that individual chapters describe taxes that are similar as far as their objects are concerned. Under this rule, the following parts have been created, devoted to: flat–rate forms of income taxation, turnover taxes (excise duty and betting duty), real estate taxes and other local taxes.

To the best of Author’s abilities, an attempt has been made therein to show mutual relations between general and specific tax law institutions. Therefore references used in the text serve such a purpose. It means, *inter alia*, that reading descriptions of certain institutions of general tax law, one may come across a reference to a particular fragment in the specific part. Moreover, a reader may sometimes be referred from the specific part to a particular fragment in the general part. Thanks to this, the operation of the tax law mechanisms described therein may be learned better. What is more, there are also references within the same part, e.g. within the general or specific. Their purpose is to avoid repeating descriptions of tax law mechanisms or institutions that have already been or are going to be presented in more details in, e.g., another chapter, but within the structure of the same part of the study. The abovementioned references are used in the following visual form (see III, 2.4). In this example a reader is referred to part three, chapter two, and sub–chapter 4 therein.

While working on the publication, some translation issues appeared concerning specific terms used in the Polish tax regulations and their English equivalents. Several, sometimes contradictory versions of translations of the definite terms could be found. Two specific phrases functioning in the Polish regulations can serve as an example. “Obowiązek podatkowy” is translated as “tax liability” and

“zobowiązanie podatkowe” is translated as “tax obligation”.¹ There are, however sources where “zobowiązanie podatkowe” turns into “tax liability” in English.² Sometimes both terms are translated as “tax liability”.³ Taking into consideration the lack of universally applied English translations of particular Polish tax phrases, Author of the book used those versions of English translations that he found to be most proper. At the same time, he does not acknowledge other possibilities of translation to be unacceptable.

Mariusz Popławski

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- 1 See: Articles 4 and 5 of Act of Tax Ordinance (1997) in: Acts of Polish Law Collection, Version 5.0.1, Translegis Publishing, Translated by Danuta Kierzkowska, Anna Setkowicz–Ryszka and Magdalena Sporniak–Czerkas.
 - 2 See: Międzynarodowy słownik podatkowy, ed. Susan M. Lyons, Warsaw 1997, p. 476.
 - 3 See: R. Koziarkiewicz, Dictionary of Tax Terms, Warsaw 2005, p. 101 and 144.