

**Annex 2. Measures increasing the tax compliance and improving the effectiveness of tax administration in the years 2014-2017. Status of implementation as at 30 September 2014**

No.	Name of the task	Tool <sup>1</sup>	Planned implementation time	Responsible authority	Current status	Assessment of task implementation timeliness <sup>2</sup>
1	Establishment of the Central Register of Debtors [Centralny Rejestr Dłużników]	L	01.06.2015	Minister of Finance	Legislative activities associated with the proposal of assumptions of the Act on the Amendment of the Act on Enforcement Proceedings in Administration are in progress - analysis of comments received within the interministerial coordination and external consultations are ongoing.	2
2	Improvement of the process of due tax enforcement	1. M	1. from 01.07.2014	Minister of Finance	1. Pursuant to the ordinance of the Minister of Finance of 27 January 2014 concerning the organisation of tax offices and tax chambers and granting them the statutes, within the structures of tax offices and tax chambers, units dealing with creditor matters have been established. This will enable to provide strong support both to heads of the tax offices and directors of tax chambers in the process of tax arrears management.	1
		2. P	2. continuous action		2. Since July this year the Competence Centre for Creditor Matters (CKSW) located at the Tax Chamber in Opole has been operating within the Tax Administration. The role of the CKSW is to ensure efficient coordination of the changes introduced and the consistence of improvements in the scope of tax arrears management and functioning of units dealing with creditor affairs in tax offices and tax chambers. Under the cooperation of CKSW with CEZRF, in August this year the implementation of training for employees of creditor units was launched, in the scope of rights and obligations of a creditor of public law liabilities in the process of arrears management.	1
		3. P	3. continuous action		3. Enhancing the pre-enforcement activities – undertaking activities preceding the institution of enforcement proceedings, including information and disciplinary actions - by means of electronic and phone communication.	1
		4. P	4. continuous action		4. Works related to developing OGNIVO functionalities and range of application in cooperation with Krajowa Izba Rozliczeniowa S.A., banks and other system users are ongoing.	1
		5. L	5. 4th quarter 2014		5. A draft concerning the entitlement to commission-based remuneration of the civil service members employed in enforcement units of tax offices has been submitted by the Head of Civil Service to the interministerial coordination, the analysis of comments received is in progress.	1

<sup>1</sup> L – legislative, P – non-legislative, M – mixed

<sup>2</sup> in order to define the probability of timely implementation of the task, the following scale of indicators has been adopted: 1 – high probability, 2 – medium probability, 3 – low probability

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3	External risk management and tax audit	P	2014	Minister of Finance	The external risk management system has been developed. Changes in the organisational structure of tax chambers have been implemented, within which units for external risk management have been established. The policy and procedures in the scope of external risk management (ERM) have been developed and tools supporting the ERM have been created: risk register and segmentation. The National Action Plan for 2014 has also been prepared, defining main threats affecting the implementation of tax administration objectives and the relevant response methods.	1
4	POLFISC Platform and ZISAR System – new electronic tools for tax fraud combating as well as for protection of the financial interest of the country and the EU	1.M	1. POLFISC – 2nd quarter 2014	General Inspector of Fiscal Control, Head of the Customs Service	1. The system is operating.	1
		2. P	2. ZISAR – 31.10.2014		2. The commissioning of the environment and the production exploitation by way of the Pilot of the ZISAR system has been effectively performed in appointed organisational units of the Customs Service ( the implementation in four customs chambers). The Pilot stage for the System has been closed and the works on the preparation for the national implementation are in progress. The activities undertaken concern: organizing of trainings for units not covered by the implementation of the Pilot, carrying out the remedial actions resulted from the change of subcontractor in the area of Statistics component, removal of the reported errors and handling of issues related to the course of exploitation within the Pilot. The integration measures with dependant projects are also implemented, as related to the performance of tests on making the risk analysis service available to the Customs Service operational systems.	2
5	Implementation of the OGNIVO System for identification of debtors' bank accounts	P	30.09.2014	Minister of Finance	The OGNIVO system has been implemented in 15 of 16 chambers and in 1 chamber the process is at the stage of signing the agreements with Krajowa Izba Rozliczeniowa, the owner of the OGNIVO system.	1
6	Introduction of IT-based control of tax books (Standard Audit File)	M	01.01.2016	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations of the draft have been completed. Currently the draft is processed by the Committee of the Council of Ministers for Digitalization.	1

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7	Improvement of taxpayer service and reinforcement of other basic functions of tax administration.	1. L	1. entry into force on 01.01.2015	Minister of Finance	1. On 16 September the draft was submitted to the Parliament. The first reading took place on 25 September 2014 and the voting was scheduled on the same day. On 7-9 October the Public Finance Commission discussed the draft. In the framework of organisational measures associated with the consolidation project, the Team for consolidation of auxiliary processes was established whose main tasks include planning, preparation and implementation of auxiliary processes carried out in tax chambers and tax offices at a regional level. The activities of the Team are performed within eight area sub-teams.	1
		2. P	2. 29.05.2015		2. Tax Portal – in the part for the logged users – will be launched in May 2015. In March 2015 the launch of the service of pre-filled returns is planned (at the first stage - PIT 37).	2
8	Development of electronic forms of contact with taxpayers and simplification of the registration and keeping records of taxpayers	M	01.12.2014	Minister of Finance	On 2 September 2014 the <i>Act on the amendment of the Act on the National Court Register and the amendment of some other acts</i> was announced, to enter into force on 1 December 2014. The objective of the Act is to reduce the time for entities waiting for a possibility to start their business activity, through introduction of a solution consisting in granting a NIP tax identifier and the REGON statistical identification number to entities entered into the National Court Register (KRS) (based on the data transmitted from the KRS to the Central Register of Entities – National Tax Registration System (CRP KEP) and the REGON register), automatically, following the entry of an entity into the KRS and incorporation of these identifiers (NIP and REGON) in the KRS directly after their granting. Granting of NIP to entities entered into the KRS takes place automatically, directly following the entry of data transmitted from the KRS into the CRP KEP via the ICT system. The confirmation of NIP granting to entities entered into the KRS or the CEIDG (Central Registration and Information on Business) is the disclosure of this number in the KRS or in the CEIDG. The implemented regulations shall limit the number of procedures burdening the entities entering into legal transactions associated with starting their business activity from four procedures currently applicable (reporting to KRS, GUS (Central Statistical Office), Head of Tax Office and ZUS (Social Insurance Institution) to two procedures (reporting to KRS and reporting of complementary data to the Head of Tax Office). These regulations are aimed at improving the performance of public administration authorities which will not examine applications for entry of the data into the relevant register or registration system. The entity subject to the entry into the KRS will report its basic data (covered by the contents of the entry into the KRS) to the Registry Court. The reporting of such data shall simultaneously represent the reporting to the registers/registration systems kept by other authorities, i.e. the Head of Tax Office, GUS and ZUS.	1

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8	Development of electronic forms of contact with taxpayers and simplification of the registration and keeping records of taxpayers (continued from the previous page)	M	01.12.2014	Minister of Finance	<p>Parallel to the decision on the entry into the KRS the entity will receive a certificate confirming the entry of the NIP and REGON. Following its entry into the KRS, the entity will be obliged to report the complementary data to the Head of Tax Office, required for the implementation of the statutory tasks by the Head of Tax Office, GUS and ZUS. The Head of Tax Office, following the report concerning the complementary data shall submit the relevant data to GUS and ZUS (transmission of the basic and complementary data from CERP KEP to ZUS will occur after the entity has reported its status of social security contributions payer within the report of complementary data).</p> <p>The updating of the data will take place analogically.</p> <p>Works related to the preparation of draft implementing acts to the <i>Tax Ordinance Act</i> are in progress, concerning the creation and service of the central Fiscal Pledge Register, which will enable its free browsing by tax payers and enable electronic flow of applications and other documents between the authority keeping the register and bodies authorised to apply for entry of the fiscal pledge, and entities applying for a copy or a certificate.</p>	1
9	IT-based collection and exchange of tax information, among others for the purpose of launching the service of pre-filled returns (PFR)	L	01.01.2015	Minister of Finance	<p>At the session of the Parliament on 22 July 2014 the first reading of the draft <i>Act on the amendment of the Act on personal income tax and some other acts</i>. On 26 September 2014 the Parliament adopted the Act. On 1 October 2014 the Act was submitted to the Senate (Senate form no. 721).</p>	1
10	Preparation of an annual report of changes in the "tax gap" over time	P	01.01.2015	Minister of Finance (with the use of GUS data)	<p>At the Ministry of Finance the studies have commenced. The major problems related to data availability and human resources necessary to implement the current monitoring of the tax gap have been indicated - similar to the solutions adopted, for example, in Great Britain.</p> <p>The implementation of tax gap monitoring in relation to all taxes should be divided into several stages. At the first stage, within the assumed deadline, the gap calculation should be implemented on operational level in relation to the VAT, due to the data availability.</p>	2
11	"Warning Letter" as a new means of limiting VAT fraud	P	continuous action	Minister of Finance in coordination with the Minister of Economy	<p>On 25 August 2014 the Ministry of Finance and the Ministry of Economy published the first Warning Letter concerning the threat of VAT fraud identified in the trade of electronic devices.</p>	1

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12	Combating “shadow economy“ in the field of tobacco products trading	L	2015	Minister of Finance	The proposal of assumptions to the draft of <i>the Act on amendment of the Act on Excise Duty and some other acts</i> , currently under the interministerial coordination and social consultations, contains the proposal on legislative amendments in the scope of: - specifying the detailed provisions concerning business conducted by intermediary tobacco entities, - introducing the tax on manufacturing cigarettes using cigarette tube filling machines, made available in public places, - introducing the excise duty rate on cigars and cigarillos according to weight ( i.e. on 1 kilogram), instead of quantity, as applicable so far (i.e. on 1000 pcs.).	1
13	Restriction of the “shadow economy“ in the market of liquid fuels	L	14 days following the announcement of the Act	Minister of Economy	<i>The Act of 30 May 2014 on the amendment of the Act on stocks of crude oil, petroleum products and natural gas and procedures in situations of the threat to the fuel security of the state and disturbances on the oil market, and on the amendment of some other acts</i> , introducing changes, among others, to the <i>Act on Energy Law</i> , entered into force on 22 July 2014.	1
14	Combating and preventing fraud in scrap trading	P	2014 - followed by monitoring	General Inspector of Treasury Control	The majority of inspections has been completed.	1
15	Combating and preventing tax fraud within trading in steel products	P	2014	General Inspector of Treasury Control	Control measures in progress	1
16	Coordination of detection and control activities in combating VAT-related fraud – task groups	P	continuous action	General Inspector of Fiscal Control and the cooperating bodies	Coordination measures are under implementation.	1
17	Modifications of the reverse charge procedure, introduction of the institution of joint and several liability within trading in certain steel products (not covered by the reverse charge mechanism), fuels and rough gold with the exclusion of quarterly settlements	L	01.10.2013	Minister of Finance	Application of the regulations introduced.	1
18	Taxation of income from undisclosed revenue sources	L	01.01.2015	Minister of Finance	The draft of the <i>Act on the amendment of the Act on personal income tax and the Tax Ordinance Act</i> was the subject to interministerial coordination and public consultations. The analysis of the submitted comments and opinions is in progress.	2

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19	Introduction of provisions governing the manner of determination of the value of revenue and cost of performance in kind	L	01.01.2015	Minister of Finance	<i>The Act on the amendment of the Act on corporate income tax and the amendment of some other acts</i> was adopted on 29 August 2014. The President of the Republic of Poland signed the Act on 17 September 2014.	1
20	Introduction of exclusion of the application of exemption of dividends in the case of double non-taxation (refers to the profit participation loans – PPL)	L	01/01/2015.	Minister of Finance	<i>The Act on the amendment of the Act on corporate income tax and the amendment of some other acts</i> was adopted on 29 August 2014. The President of the Republic of Poland signed the Act on 17 September 2014.	1
21	Introduction of provisions on a Controlled Foreign Corporation (CFC)	L	the first day of the month following the expiry of three months following the announcement of the Act	Minister of Finance	<i>The Act on the amendment of the Act on corporate income tax and the amendment of some other acts</i> was adopted on 29 August 2014. The President of the Republic of Poland signed the Act on 17 September 2014.	1
22	Introduction of provisions tightening the income tax system	L	01.01.2015, except for the provisions concerning the exclusion from the exemption of the income due to investing the insurance premium which shall enter into force (maintaining the rights acquired) within 14 days following the announcement of the Act	Minister of Finance	<i>The Act on the amendment of the Act on corporate income tax and the amendment of some other acts</i> was adopted on 29 August 2014. The President of the Republic of Poland signed the Act on 17 September 2014.	1
23	Replacement of the current settlement system of income tax due to the use of a company car for private purposes with a flat rate system	L	01.01.2015	Minister of Economy in cooperation with the Minister of Finance	The solution is included in the draft of the <i>Act on facilitating business activity</i> , proceeded by the Minister of Economy. The first reading took place at the session of the Parliament on 22 July 2014 (form no. 2606). Works in the Extraordinary Commission for matters associated with limiting the bureaucracy are in progress.	1
24	One-off payment of agricultural tax, forest tax and real property tax, in the cases when the tax amount does not exceed PLN 100 (instead of a payment in 4 or 12 instalments)	L	01.01.2015	Minister of Finance	The draft of the <i>Act on amendment to the Act on the local government and on the amendment of some other acts</i> – following the first reading on 29 August 2014, submitted to proceeding on Parliamentary commissions (form no. 2656). On 10 September, at the joint session of the Public Finance Commission, the Commission on Environmental Protection, Natural Resources and Forestry and the Commission on Local Government and Regional Policy, the draft was submitted for proceeding on the extraordinary sub-committee. The draft includes the amendment of the <i>Act on agricultural tax, forest tax and on the local taxes and charges</i> .	2

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25	Non-collection of agricultural tax, forest tax and real property tax, when the tax amount does not exceed the cost of delivery of the registered mail	L	01.01.2015	Minister of Finance	The draft of the <i>Act on amendment to the Act on the local government and on the amendment of some other acts</i> – following the first reading on 29 August 2014, submitted to proceeding on Parliamentary commissions (form no. 2656). On 10 September, at the joint session of the Public Finance Commission, the Commission on Environmental Protection, Natural Resources and Forestry and the Commission on Local Government and Regional Policy, the draft was submitted for proceeding on the extraordinary sub-committee. The draft includes the amendment of the <i>Act on agricultural tax, forest tax and on the local taxes and charges</i> .	2
26	Electronic transfer of tax returns and other documents by civil law notaries	L	01.01.2015	Minister of Finance	The draft of the <i>Act on amendment to the Act on the local government and on the amendment of some other acts</i> – following the first reading on 29 August 2014, submitted to proceeding on Parliamentary commissions (form no. 2656). On 10 September, at the joint session of the Public Finance Commission, the Commission on Environmental Protection, Natural Resources and Forestry and the Commission on Local Government and Regional Policy, the draft was submitted for proceeding on the extraordinary sub-committee. The draft includes the amendment of the <i>Act on agricultural tax, forest tax and on the local taxes and charges</i> .	2
27	Delivery of documents to professional attorneys-in-fact exclusively via electronic communication	L	01.01.2016	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1
28	Designation of one tax authority in cases related to entities remaining under the territorial jurisdiction of different authorities	L	01.06.2015	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1
29	Harmonization of territorial jurisdiction for VAT and income taxes	L	01.01.2016	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1
30	Streamlining of the procedure for initiating a tax controls in relation to the permanent establishment of a foreign entity	L	01.06.2015	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1

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31	Change of territorial range of operations of the heads of Fiscal Control Offices	L	01.01.2013	Minister of Finance	The provisions of the amended regulation entered into force as of 1 January 2013.	1
32	Granting the authorities of fiscal control the power to issue decisions on securing a tax liability	L	01.06.2015	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1
33	Differentiation of default interest rates	L	01.06.2015	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1
34	Introduction of a penalty for breaching an order to present evidence in the course of tax proceedings	L	01.06.2015	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1
35	Introduction of a penalty for breaching an order within inspection activities	L	01.06.2015	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1
36	Introduction of the General Anti-Avoidance Rule	L	01.07.2015	Minister of Finance	The change covered by the draft <i>Act on the amendment of the Tax Ordinance Act and some other acts</i> . The interministerial coordination and public consultations concerning this draft have been completed. The draft was adopted by the Committee for European Affairs on 24 September 2014. At present, the draft is processed by the Committee of the Council of Ministers for Digitalization.	1



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37	Amendments to the agreements on the avoidance of double taxation concluded with: Slovakia, Cyprus, Luxembourg, Singapore, United Arab Emirates and conclusion of agreements on the exchange of tax information with 23 jurisdictions applying harmful tax practices	M	until end of 2015	Minister of Finance	<p>All the aforementioned agreements on the avoidance of double taxation have been amended, their ratification process has also been completed. The exception is the agreement with United Arab Emirates which has been amended, however, the partner to the agreement has not submitted the ratification document yet.</p> <p>In relation to agreements on the exchange of tax information:</p> <ul style="list-style-type: none"> <li>• agreements with the following countries entered into force: Andorra, Gibraltar, Guernsey, Jersey, San Marino, the Isle of Man;</li> <li>• agreements with the following countries were signed: Belize, the Bermuda, British Virgin Islands, Grenada, Cayman Islands, Liberia, Commonwealth of The Bahamas, Commonwealth of Dominica;</li> <li>• negotiations with the following countries are ongoing: Hong Kong, Bahrain, Turks &amp; Caicos, Montserrat, Antigua and Barbuda, Monaco, Liechtenstein, Seychelles, Barbados, Anguilla.</li> </ul>	2
38	Receipt lottery	P	2015	Minister of Finance	The concept and the regulations of the Receipt Lottery were developed. Budgetary resources for the Lottery implementation have been reserved.	1
39	Increasing the degree of voluntary compliance with tax obligations through public information and education measures aimed at providing knowledge on the tax law	P	continuous action	Minister of Finance	The reported information and educational measures are implemented on a continuous basis. The "Quick PIT 2014" [Szybki PIT] campaign was implemented in accordance with the assumptions contained in the fiche. The "Take the receipt" [Weź paragon] and "From our taxes for us" [Z naszych podatków dla nas] campaigns are under implementation.	1
40	Introduction of elements promoting civil responsibility attitude to paying taxes into the school education process, and a special theme block on taxes within the civil society knowledge classes in secondary schools	P		Minister of National Education in cooperation with the Minister of Finance	The cooperation with the Ministry of National Education has been initiated. It was agreed that the public finance subject, including the tax issues, will be included in the free handbook being prepared for the second class of primary school. The Ministry of Finance monitors the educational measures addressed to children and currently implemented in the finance sector, and evaluates the possibilities for developing the activities in this scope.	2
41	Improving the efficiency of combating tax fraud – appointment of a standing team by the Minister of Finance	P	continuous action	Members of the Team at the Minister of Finance	The activities of the Team are carried out in the framework of meeting from which reports are prepared. Within the activities of the Team, documents of organisational/ normative nature are monitored, and initiatives are undertaken, in terms of their effects on the customer (tax payer) service as well as the effectiveness of performance of individual services. The strategic directions and priorities in the indicated area are also defined.	1

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42	Improvement of the quality of taxpayer service and the efficiency of tax services – appointment of a standing team by the Minister of Finance	M	continuous action (the Team was established pursuant to the ordinance of the Minister of Finance no. 24 of 25 June 2013)	Minister of Finance	The activities of the Team are carried out in the framework of meeting from which reports are prepared. Within the activities of the Team, documents of organisational/ normative nature are monitored, and initiatives are undertaken, in terms of their effects on the customer (tax payer) service as well as the effectiveness of performance of individual services. The strategic directions and priorities in the indicated area are also defined.	1
43	Improvement of the efficiency of controls of affiliated entities – appointment of a standing team by the Minister of Finance	P	continuous activity (since April 2014)	Team Members	<p>The Team met three times. At the same time, a working team was established, comprising the representatives of the Ministry of Finance, Fiscal Control Authorities, Tax Chambers and specialised Tax Offices. The objective of the working team is to develop the proposal of solutions aimed at improvement of the process of selecting entities to be controlled and conducting the control of affiliated entities. Due to this objective, measures were undertaken aimed at preliminary examination of the database suppliers market.</p> <p>On 17 September 2014 a report on activities of the Team for the last quarter was prepared.</p>	1