

# PIT-2 in a new version

What declarations and requests are included in the new model PIT-2 form, which will take effect from 1 January 2023?

December 2022



# Introduction

We are pleased to present the next edition of the 'Purple Prospectus', a series of analyses in which we discuss legal, tax and accounting issues that are important for entrepreneurs. This time, we have taken a closer look at the PIT-2 form and the doubts that taxpayers have about it.

The PIT-2 in the new version is a form that will enable an employee to submit simultaneously to his or her employer several declarations and requests affecting the monthly tax advances calculated by the employer and, consequently, may have an impact on the employee's annual return (legal basis: Article 31a(2) of the Act on Personal Income Tax).

From the new year the declarations and requests proposed in the form will also apply to other taxpayers, not only to full-time employees. Thus, from January 2023, the form will also be applicable to, inter alia, mandatories, persons admitted as graduate trainees or those performing tasks on the basis of a managerial contract.

**Enjoy reading**



# Frequently asked questions



## **From when can taxpayers file the new model PIT-2(9) form?**

The declarations and requests proposed in the form will apply to revenues earned from 1 January 2023, based on the provisions of the Act on Personal Income Tax in force from 1 January 2023. Employees who will receive their first remunerations in January 2023 can already use the new model document.



## **Do current employees have to re-file the PIT-2 form on the new model?**

No, it is not necessary to do so. Pursuant to Article 31a(4) of the Act on Personal Income Tax, the withdrawal and amendment of a previously filed declaration or request is effected by means of a new declaration. On the other hand, declarations and requests affecting the calculation of the advance payment also apply to subsequent tax years, unless separate regulations provide otherwise. Therefore, if an employee has filed a PIT-2 form in previous years and still wants the employer to apply the maximum reduction of the advance tax payment by the reducing amount (PLN 300), there is no need to file a new form of the document. On the other hand, if the employee, wants to change, withdraw or add a new declaration which is included on the PIT-T(9) form - he or she may file a new document.



## **When can a PIT-2 form be filed?**

The PIT-2 form can be filed at any time during the year, as long as the taxpayer is entitled to do so. The payer, on the other hand, takes the declaration into account from the month following the month of receipt of the document at the latest (or from the second month following the month of receipt of the document at the latest - pension bodies). Legal basis: Article 31a(5) of the Act on Personal Income Tax.

# Frequently asked questions



## Payment of remuneration upon termination of employment - will declarations made on PIT-2(9) form be valid?

Whether it is correct to apply a tax-reducing amount when paying remuneration in the months following the termination of the employment relationship has been a perennial dilemma for payers, as employers and has been met with various tax interpretations. Since the new year, this issue has been regulated in the legislation. Pursuant to Article 31a(7) of the Act on Personal Income Tax, upon termination of the legal relationship constituting the basis for the payer's payments to the taxpayer, the payer, when calculating the advance payment, disregards the declarations and requests previously filed by the taxpayer, with the exception of the requests referred to in Article 32(6) and (8) and Article 41(11).

In practice, this means, inter alia, that **when receiving a remuneration payment after the date of termination of the employment contract, the employer will no longer take into account the requests filed in the PIT-2 form with the exception of:**

- a. a request not to apply the exemption for young people or employee deductible costs (Article 32(6) of the Act on Personal Income Tax);
- b. a request to forego the application of 50% tax-deductible costs (Article 32(8) of the Act on Personal Income Tax).

The declarations contained in Parts H and I of the new PIT-2(9) model will apply even after the termination of the employment relationship; the others cease to apply. The new provision in the Act on Personal Income Tax means, inter alia, that if the remuneration for the last month of employment is paid to us by the employer still in the same month, the employer will, as a general rule, apply an amount reducing the advance tax payment, whereas if the payment is made by the 10th of the following month, the reducing amount will **NOT** be calculated. If, as an employee, we take up a new job as early as the following month and we file a PIT-2 with the new company, the new employer will calculate a reducing amount already from the first payment. If the amount is not applied in one of the months, we, as a taxpayer, will settle it with the tax office in our annual return.

The change in the regulations is, in principle, intended to protect the employee from having two workplaces (the previous and the new employer) not applying the reducing amount in the same month at the same time, **as this could result in the employee having to pay a tax surcharge in his or her annual return.**

# Frequently asked questions



## **An employment contract and a contract of mandate concluded with a single payer and the application of the requests contained in the PIT-2 (9) form?**

According to the draft explanations on the new PIT-2 issued by the Ministry of Finance on 08.12.2022, a person who has concluded an employment contract and a contract of mandate with one company will additionally have to indicate, in Part B of the PIT-2 form, the source of revenue in respect of which he or she files requests or declarations. This does not follow directly from the regulations or the information contained in the PIT-2 form, but has been proposed by the Ministry of Finance in the draft tax explanations.

For example, a person with an employment contract, who has previously filed a PIT-2 on account of his or her contract, additionally enters into a contract of mandate with his or her employer. The employer in this case uses the previously filed PIT-2 when calculating tax advances on the employment contract. Additionally, if the mandatory would like one of the requests included on the PIT-2 form to be applied to revenue derived from a contract of mandate, according to the Ministry of Finance, he or she should file another PIT-2 request indicating in Part B (payer's data) that the request will concern revenue from a contract of mandate.

A person who files two PIT-2 forms at the same time, one for revenue from a contract of mandate and the other for an employment contract, should indicate on each of them in section B which source of revenue the form will relate to.



## **Can declarations and requests be filed on a form other than form PIT-2(9)?**

Yes. Pursuant to Article 31a(1) of the Act on Personal Income Tax, a taxpayer files with the payer in writing, or in any other manner adopted by the payer, declarations and requests affecting the calculation of the advance payment.

Thus, an employee may file in writing one of the declarations or requests contained in the PIT-2 model, but may use another model available from the employer or formulate the request independently. Electronic filing is also permitted if the employer has adopted a method of filing declarations other than in writing (e.g. via an electronic system).



## PART C

### **Taxpayer's declaration to the payer on the reduction by a tax-reducing amount**





The effect of filing the declaration will be that the payer (e.g. the employer) will reduce the monthly advance tax payment to the tax office by the so-called reducing amount. In practice, for the employee, this means that the monthly tax withheld from his or her remuneration will be lower, and the remuneration he or she will receive will be correspondingly higher.



The reducing amount is a monthly maximum of PLN 300, which is 1/12 of the tax calculated on the currently applicable tax-free amount. As the law currently stands, the tax-free amount is PLN 30,000 per annum, the 12% tax calculated on the aforementioned amount is PLN 3,600, which, when divided into 12 months, amounts to PLN 300 (the maximum monthly reducing amount).



A taxpayer who does not file a declaration under Part C will be able to apply and account for the reducing amount of PLN 3,600 in his or her annual return.



As of January 2023, a taxpayer who decides to apply the free amount during the year will be able to file Part C of the declaration with one, two or three payers (we are referring to, inter alia, the employer, the principal, the pension authorities, i.e. the Social Insurance Institution [ZUS]). According to the declaration, the advance payment will be reduced respectively:

- by 1/12 of the tax-reducing amount, i.e. PLN 300;
- by 1/24 of the tax-reducing amount, i.e. PLN 150;
- by 1/36 of the tax-reducing amount, i.e. PLN 100.

### Applies to:

**employment contract, contract of mandate, contract for specific work, management contract, graduate traineeship.**



It should be borne in mind that pursuant to Article 31b(5) of the Act on Personal Income Tax, PIT-2 Part C may be filed with a maximum of 3 payers, provided that the following conditions are met:

- a. the total amount of the reduction applied by all payers in a given month does not exceed the amount constituting 1/12 of the tax-reducing amount (PLN 300) and
- b. in the tax year, the taxpayer, through the payer, did not make use of the full amount of the tax-reducing amount reduction, including when he or she filed a request for not collecting advance payments in a given tax year, referred to in Art. 31c of the Act on Personal Income Tax.



**The above condition is to protect the taxpayer from having to pay additional tax in the annual tax return.**



Let us assume that an employee is employed in two places on an employment contract - therefore, according to condition (a.), he or she may apply to both employers for the application of the reducing amount, but in the amount of PLN 150 with each of them, so that the monthly amount does not exceed PLN 300. In the opposite case, if at each employer, a reducing amount of PLN 300 was applied, on an annual basis, the total amount applied could be even PLN 7 200, and this could involve the employee having to return the tax to the tax office in the annual return.

### Applies to:

**employment contract, contract of mandate, contract for specific work, management contract, graduate traineeship.**





As in previous years, the social insurance institution paying pensions, agricultural production cooperatives, bodies paying benefits from the Labour Fund and the Guaranteed Employee Benefits Fund will apply the reducing amount automatically (Article 31b(4) of the Act on Personal Income Tax).



A taxpayer who wishes to waive the application of the reducing amount with the above-mentioned payers, must file a request to waive the application of the reduction.



An employee who at the same time receives a pension from the Social Insurance Institution [ZUS] must remember that it is still the pension authority that first applies the "ex officio" the reducing amount.



If the employee would like the employer to apply the tax-reducing amount, he or she must apply to the Social Insurance Institution [ZUS] for the collection of advance payments without reduction, and then file with the employer a PIT-2 completed in section C.



From the new year, the employee will also be able to request that the Social Insurance Institution [ZUS] apply a partial reduction and the employer a partial one (e.g. in the amount of PLN 150 for both payers).

### Applies to:

**employment contract, contract of mandate, contract for specific work, management contract, graduate traineeship.**

### Running a sole proprietorship and working as a full-time employee and the reducing amount.



An employee who is simultaneously self-employed may file a declaration with his or her employer requesting the application of a reducing amount, however, he or she should pay attention to the form of taxation of the sole proprietorship.



If the business is taxed under the flat-rate tax, tax card or lump-sum tax on registered revenues - no reducing amount is applied when accounting for the business, so this form of taxation of the business does not interfere with the possibility of filing a request to the employer for the application of the tax-free amount.



In the case of opting for taxation based on general rules, the full reducing amount, i.e. PLN 3600, is used in the first instance when accounting for business activity. If the reducing amount applied when settling the business activity exceeds PLN 3600 and, in addition, the employer applies preferences, the tax may have to be paid in the annual return.



This is a change in relation to previous years, when an employee simultaneously conducting business activity taxed under the general rules was not able to file PIT-2 with the employer\*. As of the new year, an entrepreneur working concurrently as an employed person has more freedom and the possibility to apply the reducing amount with the employer, however, he or she must bear in mind that in the annual return, the free amount of PLN 3 600 may be settled only once.

### Applies to:

**employment contract, contract of mandate, contract for specific work, management contract, graduate traineeship.**

\*position confirmed in the individual interpretation issued by the Director of National Revenue Information dated 19.07.2022, ref. 0114-KDIP3-2.4011.489.2022.2.MR.

## PART D

**Taxpayer's declaration to the payer  
on the reduction by a tax-reducing  
amount**



# Part D

## What do you need to know?



### Applies to:

The declaration in Part D shall be filed with the agricultural production co-operative and other co-operatives engaged in agricultural production and with the enforcement authority paying claims for the establishment arising from the employment relationship and related relationships or with the entity that is not the successor in title of the establishment taking over the obligations of the establishment arising from the employment relationship and related relationships.



### How does it work?

The reducing amount of the advance tax payment is applied "ex officio" by the above-mentioned payers. The taxpayer may use the declaration in Part D to request the above-mentioned payers to discontinue the application of the reducing amount or to apply it at a lower amount (PLN 150 or PLN 100).

Legal basis: Article 31(b)(4) of the Act on Personal Income Tax.

## **PART E**

**Taxpayer's declaration to the payer  
on the intention to tax income  
preferentially (with a spouse/as  
a single parent)**





The filing of a declaration on the intention to settle jointly with a spouse or child results in a preferential settlement of monthly advance payments for income tax.



Pursuant to Article 32(3) of the Act on Personal Income Tax, if a taxpayer files a declaration with the payer that for a given year he or she intends to tax income in the manner specified in Article 6(2) (i.e. for spouses) or 4d (i.e. for single persons raising children), and for the tax year the taxpayer's:

- a. income anticipated, specified in the declaration will not exceed the amount of PLN 120,000 and the spouse or child does not receive any income which is combined with the taxpayer's income - the advance payments for all months of the tax year amount to 12% of the income received in a given month from that payer and are additionally reduced for each month by an amount constituting 1/12 of the tax-reducing amount in the case of a declaration concerning taxation of income pursuant to the rules set out in Article 6(2) or 4d;
- b. income anticipated, specified in the declaration exceeds the amount of PLN 120,000, and the income of the spouse or child, which is combined with the income of the taxpayer, does not exceed that amount - advance payments for all months of the tax year amount to 12% of the income received in a given month from that payer.

**What does this mean?** We explain on the next page...

**Applies to:**

**employment  
contract.**



## What do you need to know?



### What does this mean?

In both cases, the payer will deduct from the employee's remuneration an advance payment of 12% even if the employee's income exceeds the first tax threshold. Moreover, in the first case, the payer will apply - when calculating the advance tax payment - an additional reducing amount, i.e. PLN 300. At the same time, it should be borne in mind that if the first tax threshold is significantly exceeded, the joint settlement may not be sufficient and a surcharge will be required at the stage of filing the annual return in the form of the difference between the tax due (32%) and the tax paid (12%).



### How does it work?

In practice, until now, such a declaration has been filed by the employee for each year separately, informing the payer that he or she intends to use this preference in a given tax year. The obligation to indicate the tax year in the declaration results directly from the provision of Article 32(3) of the Act on Personal Income Tax. However, on the latest PIT-2 form, in the explanations on the second page, we read that the declaration will also apply to subsequent years until revoked by the employee (there is also no place in the form to indicate the tax year).

The Act on Personal Income Tax on this point does not quite coincide with the proposed model PIT-2 form. One thing is certain - **people who wish to take advantage of this preference in 2023 must file the said declaration with their payers, regardless of whether they filed it in the previous year.**



Spouses may benefit from a joint settlement if they remain married and in joint property ownership for the entire tax year or from the date of their marriage to the last day of the tax year - in the event that the marriage was concluded during the tax year.



Pursuant to Article 6(4c) of the Act on Personal Income Tax, a joint settlement with a child is available to a taxpayer who is a spinster, a bachelor, a widow, a widower, a divorcée, a divorcé, a person with respect to whom a separation has been pronounced within the meaning of separate provisions, or a person whose spouse has been deprived of parental rights or is serving a sentence of imprisonment, if that parent or guardian is raising children on his or her own during the tax year, i.e.:

- minors,
- adults who, under separate regulations, received a nursing allowance (supplement) or a social pension,
- adults up to the age of 25, studying at schools referred to in the regulations governing the educational system or higher education in force in the Republic of Poland and in another country.

**Applies to:**

**employment  
contract.**



A joint settlement with a spouse or a child does not apply if at least one of the spouses - a single person or his or her child:

- a. Carries out economic activity taxed according to the rules set out in Article 30c of the Act on Personal Income Tax (i.e. flat tax);
- b. Is subject to lump-sum income tax (except for rental income);
- c. Is subject to tonnage tax.



In addition, in the case of a joint settlement with a child:

- a. The income earned by the child in the tax year - with the exception of the survivor's pension - in the total amount may not exceed twelve times the amount of the social pension in force in December of the respective tax year (PLN 16 061.28 in 2022);
- b. The method of taxation does not apply to a person who is raising jointly with the other parent or legal guardian at least one child, including when the child is under alternating custody in connection with which both parents have been granted an upbringing benefit.

**Applies to:**

**employment  
contract.**

## PART F

### Taxpayer's declaration to the workplace on the use of increased employee deductible costs





Part F is to be filled in by an employee who declares that he or she is entitled to the application of increased tax deductible costs (in the amount of PLN 300), as his or her place of permanent or temporary residence is located outside the town where the workplace is located and the taxpayer does not receive a separation allowance (pursuant to Article 22(2)(3) of the Act on Personal Income Tax).



When interpreting the term 'workplace', it should be understood as the place where the employee actually performs the work specified in the contract and not as the location of the employer.



Employee deductible costs are intended to compensate for commuting expenses. The deductible costs applied when calculating monthly tax advances reduce the taxable base.



In the case of an employee who does not file Part F of the declaration, the basic deductible costs of PLN 250 apply.

**Applies to:**

**employment  
contract.**



The amounts of employee tax-deductible costs are set out in Article 22(2) of the Act on Personal Income Tax and amount to:

- I. PLN 250 per month, and may not exceed a total of PLN 3,000 for a tax year - in the event that a taxpayer obtains revenue from a single service relationship, employment relationship, co-operative employment relationship and contract work;
- II. may not exceed, in total, PLN 4 500 for a tax year - in the event that a taxpayer obtains revenue simultaneously from more than one service relationship, employment relationship, co-operative employment relationship or contract work;
- III. PLN 300 per month, or a total of no more than PLN 3,600 for a tax year - where the taxpayer's place of permanent or temporary residence is situated outside the town in which the workplace is located and the taxpayer does not receive a separation allowance;
- IV. may not exceed, in total, PLN 5,400 for a tax year - in the case where a taxpayer obtains revenue simultaneously from more than one service relationship, employment relationship, co-operative employment relationship and contract work, the taxpayer's place of permanent or temporary residence is located outside the town in which the workplace is situated, and the taxpayer does not receive a separation allowance.



Where an employee has incurred higher expenses for commuting by public transport than those specified in the Act, then he or she may include the expenses actually incurred in his or her annual return. However, he or she must document them with registered season tickets (Article 22(11) of the Act on Personal Income Tax).

**Applies to:**

**employment  
contract.**



## PART G

**Taxpayer's declaration to the payer  
on the exemptions referred to in  
Article 21(1)(152-154) of the Act**





### When to file a declaration?

The declaration in Part G is submitted in order to take advantage at the stage of calculating monthly advances for income tax of the return tax relief, the 4+ relief and the relief for working seniors.

The filing of a declaration confirming the taxpayer's entitlement to take advantage of the individual reliefs will result in a reduction of the tax base at the stage of calculating monthly advance payments by the payer.



### How does it work?

The deduction limit for each relief is PLN 85 528 in a tax year. The amount of the exemption is not cumulative in the event that the taxpayer meets the conditions for benefiting from more than one of the reliefs.

In addition, declarations are filed under the pain of criminal liability for making a false declaration.

**Applies to:** employment contract, contract of mandate.

**NOTE!!!** All reliefs can also be used by the taxpayer after the end of the tax year at the annual return stage.

### Declaration of the use of 4+ relief:



It can, in principle, be filed separately by each parent of at least four children (with no requirement for the parents to be married). In addition, a person whose fourth child is born during the tax year may also submit a declaration under this Part G.



The term 'parents' should also be understood to include foster parents and legal guardians. Parents or legal guardians who wish to benefit from the exemption must be raising children who are either:

1. minors, or
2. adults who are in receipt of attendance allowance or social pension (irrespective of age), or
3. adults, up to the age of 25, who are still in education or studying (for this group of children, additional statutory conditions must be met).



Pursuant to Article 21(45) of the Act on Personal Income Tax, when determining the right to exemption, no account is taken of a child who, in the tax year, on the basis of a court decision, was placed in an institution providing round-the-clock maintenance within the meaning of the provisions on family benefits.



The income earned by the child in the tax year - with the exception of the survivor's pension - in total may not exceed twelve times the amount of the social pension in force in December of the relevant tax year (in 2022 this is PLN 16,061.28).

### Applies to:

**employment  
contract, contract of  
mandate.**



### Return relief declaration NOTE!!!

Due to the duration of the relief (from 1 January 2022), many doubts still arise in relation to the interpretation of the provisions outlined earlier.

Among other things, it is difficult to determine what, for the tax authority, will be the evidence documenting residence for tax purposes during the period necessary to establish entitlement to the relief (in the absence of the possibility of obtaining a tax residence certificate).

**Applies to:** employment contract, contract of mandate.



### Remember!

Filing a declaration for relief without confirming whether the documents in your possession will be sufficient involves a certain risk - in particular due to the criminal liability for filing false declarations.



### The declaration of use of the return relief and the use of the said relief itself is subject to the condition that (Article 21(43) of the Act on Personal Income Tax):

1. as a result of a transfer of residence to the territory of the Republic of Poland, the taxpayer is subject to unlimited tax liability, and
2. the taxpayer has not had a place of residence in the territory of the Republic of Poland in a period covering:
  - a. three calendar years directly preceding the year in which he or she changed his or her place of residence in the territory of the Republic of Poland, and
  - b. the period from the beginning of the year in which he or she changed his or her place of residence in the territory of the Republic of Poland to the day preceding the day on which he or she changed his or her place of residence in the territory of the Republic of Poland, and
3. the taxpayer:
  - a. has Polish citizenship, the Pole's Card or citizenship of a European Union Member State other than the Republic of Poland or
  - b. of a country belonging to the European Economic Area or to the Swiss Confederation, or
  - c. had his or her place of residence:
    - i. continuously, for at least the period referred to in point 2, in a Member State of the European Union or in a country of the European Economic Area or in the Swiss Confederation, Australia, the Republic of Chile, the State of Israel, Japan, Canada, the United Mexican States, New Zealand, the Republic of Korea, the United Kingdom of Great Britain and Northern Ireland or the United States of America, or
    - ii. in the territory of the Republic of Poland continuously for at least 5 calendar years preceding the period referred to in point 2, and
4. has held a certificate of residence or other proof of tax residence for the period necessary to establish entitlement to that exemption, and
5. has not previously benefited, in whole or in part, from that exemption - in the case of taxpayers who transfer their place of residence to the territory of the Republic of Poland again.

**Applies to:** employment contract, contract of mandate.

### Declaration of the use of the relief for working seniors:



It can be filed by a person who has reached the age of 60 (for women) and 65 (for men).



The filing of this declaration results in the application of an exemption of up to PLN 85 528 at the stage of calculating monthly advance payments.



In addition, the taxpayer is subject, by virtue of earning this revenue, in social insurance within the meaning of the Act of 13 October 1998 on the Social Insurance System, and the taxpayer does not, despite his or her entitlement, receive the benefits specified in Article 21(1)(154) of the Act on Personal Income Tax.

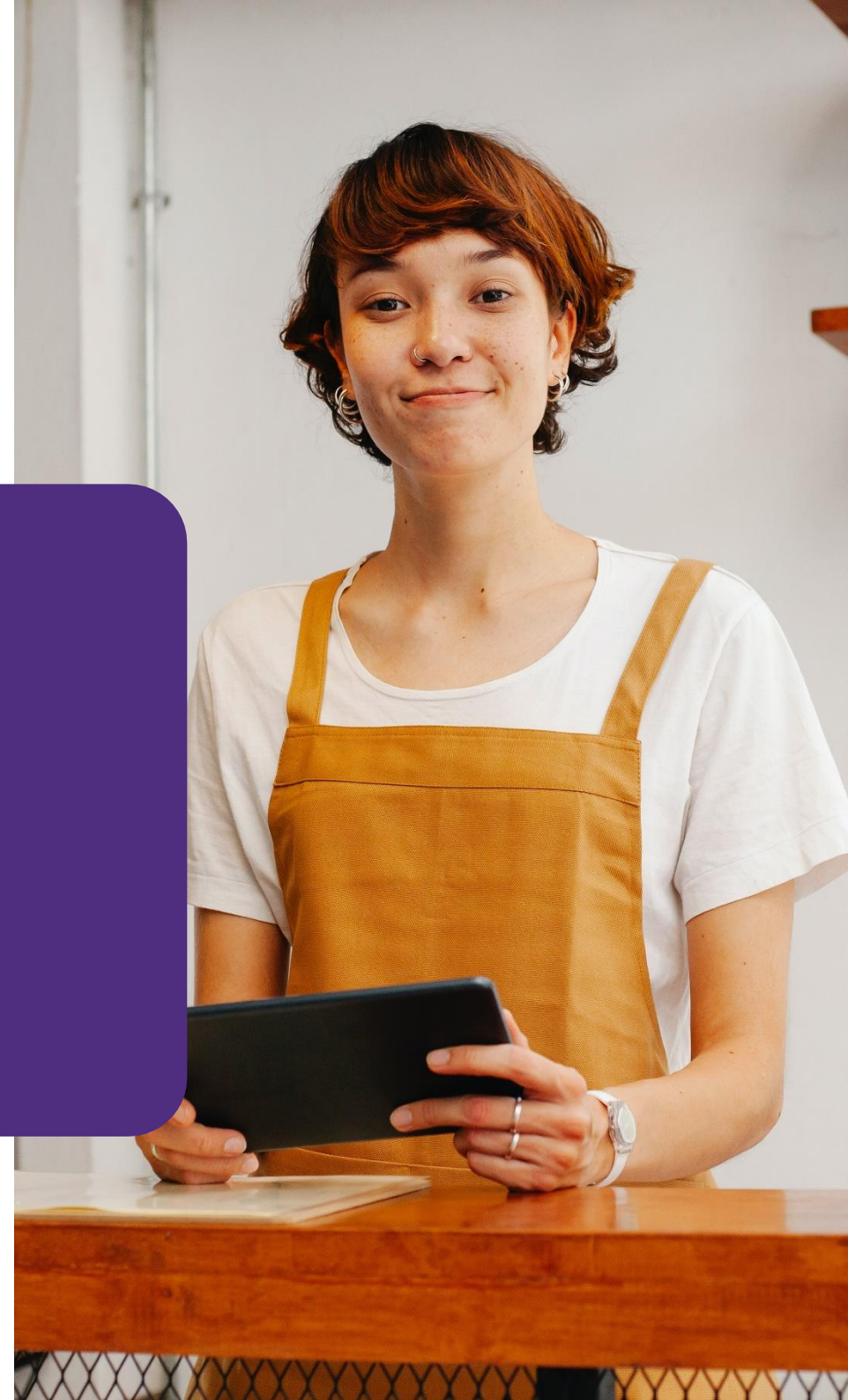
### Applies to:

**employment  
contract, contract of  
mandate.**



## PART H

**Taxpayer's request to payer not to apply the exemption for young people or employee deductible costs**



## Request for non-application of the exemption for young people



A request for the non-application of the exemption for young people can be made by young people who 'ex officio' benefit from the tax exemption and who would like to stop benefiting from this preference with a particular payer.



The exemption for young people is automatically available to those under the age of 26 who receive revenue from an employment contract, contract of mandate, graduate traineeship or student placement and who receive maternity allowance. A young taxpayer's revenue from the above-mentioned sources is exempt from tax until he or she reaches a revenue of PLN 85 528 per year (Article 21(1)(148) of the Act on Personal Income Tax).



For example, if a young taxpayer is employed in two places, each of the employers applies the tax preference automatically until the employee in a particular workplace does not exceed the income amount of PLN 85 528. If both employers have exempted income of PLN 85 528, the employee may have to repay the unpaid tax in his or her annual return. In such a situation, the employee may, in the course of the year, apply at one of the workplaces for the non-application of the so-called exemption for young people.



The same will apply to persons under the age of 26 who change their place of employment during the tax year. If they have already used up the tax exemption limit (PLN 85 528) with their first employer, it is worthwhile for them to consider applying for the non-application of the tax preference with the next employer with whom they take up employment during the year. This is because the annual limit for the exemption of PLN 85 528 applies to the total income received from all payers.

### Applies to:

**employment contract, contract of mandate, graduate traineeship.**

## Request for non-application of employee deductible costs



On request, Part H, the employer ceases to apply employee deductible costs, i.e. it does not reduce the tax base by PLN 250 (basic costs) or PLN 300 (increased costs).



It should be borne in mind that deductible costs are automatically applied by employers at the basic amount or at the increased amount upon application, and to bear in mind the annual limits that a taxpayer will be able to account for in the annual tax return.



If an employee is employed for the entire tax year in one workplace, there is, in principle, no concern that he or she will exceed the specified annual limit for deductible costs (i.e. PLN 3,000 or PLN 3,600 - the limits specified for one employment relationship).



If, however, the taxpayer is employed in several places, he or she must remember that each employer automatically applies at least basic deductible costs of PLN 250, or PLN 300 at the employee's request, and the annual limit that the employee will be able to show on the annual return will be PLN 4 500 or PLN 5 400 respectively. Therefore, if the employee realises that by applying the deductible costs with each employer he or she will exceed the annual limits, he or she can apply to the employer of his or her choice not to apply them.

**Applies to:**

**employment  
contract.**

# PART I

## Request to waive 50% tax-deductible costs





The declaration in Part I is filled in by a person who earns remuneration to which 50% tax-deductible costs apply.



Pursuant to Article 22(9)(1)-(3) of the Act on Personal Income Tax, deductible costs of certain income are determined:

1. on account of a payment to the author for the transfer of the ownership of an invention, a topography of an integrated circuit, a utility model, an industrial design, a trademark or an ornamental design - in the amount of 50% of the revenue obtained, subject to section 9a;
2. on account of a licence fee for the transfer of the right to use an invention, a topography of an integrated circuit, a utility model, an industrial design, a trademark or an ornamental design, received in the first year of the duration of the licence from the first entity with which the licence agreement has been concluded - in the amount of 50% of the earned revenue, subject to section 9a;
3. on account of the use by authors of copyrights and performers of related rights, within the meaning of separate regulations, or disposal of such rights by them - in the amount of 50% of the received revenue, subject to sections 9a and 9b, with the proviso that the costs are calculated from the revenue reduced by contributions for pension and disability pension insurance and sickness insurance, referred to in Article 26(1)(2)(b), deducted by the payer in a given month, the basis of assessment of which is constituted by that revenue.

### Applies to:

**employment contract, contract of mandate, contract for specific work, management contract.**



### NOTE!!!

In a tax year, the total deductible costs cannot exceed PLN 120,000.

This limit applies to all employers.



### What does it mean?

For example, if a taxpayer is employed in two workplaces and each of the employers applies 50% tax-deductible costs until the employee in a particular workplaces exceeds the limit of PLN 120 000, then it may turn out that the employee will have to return the unpaid tax in his or her annual return due to exceeding the limit of PLN 120 000. In such a situation, the employee may, in the course of the year, apply in one of the workplaces not to apply the so-called 50% tax-deductible costs. The same will apply to persons who change their place of employment during the tax year. If they have already used up the tax exemption limit with the first employer, it would be worthwhile for them to consider filing a request for non-application of the tax preference with the next employer.

**Applies to:** employment contract, contract of mandate, contract for specific work, management contract.



# PART J

**Taxpayer's request to payer not to withhold advance payments for the tax year**







The effect of filing the declaration is to discontinue the collection of advance tax payments by the payer up to an amount not exceeding PLN 30,000 in a tax year.



The declaration is filed by a person who anticipates that their total income in a tax year will not exceed the limit of the tax-free amount - i.e. PLN 30,000. At the same time, income should be understood as revenue less tax-deductible costs.



As a result, the filing of the declaration allows the taxpayer to receive the entire remuneration (less obligatory social security contributions) already during the tax year and such a person does not have to wait for the recovery of the overpaid tax until the submission of the annual return.



Importantly, Part J only applies for one tax year. This means that, unlike other declarations, the Part J supplement does not apply in subsequent years and its filing is required for each tax year.

### Applies to:

**employment contract, contract of mandate, contract for specific work, management contract, graduate traineeship.**



# Problems with your PIT-2? Feel free to contact us!



**Katarzyna Mróz**

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