

You can't miss the tax "on virus"

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On Friday, March 20, the time for settlement and payment of advances on income taxes passes. Next Wednesday, you'll need to send uniform control files and VAT returns. The government did not postpone these dates due to the coronavirus epidemic. Only NGOs will be able to submit CIT-8 later, although the companies care the most.

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Despite calls from accountants, statutory auditors and tax advisors, the Ministry of Finance has not decided so far - to extend the time to meet the obligations of settling taxes and to send various types of reports to offices. From announcements regarding the so-called The crisis shield package for companies, does not show that the experts' demands will be taken into account.

On Thursday, the Ministry of Finance presented its own solutions. It indicated, among others to **extend the deadline for filing CIT-8 for non-governmental organizations. In addition, the deadline for payers to submit advance payments on payroll taxes collected in March and April will also be extended. It is planned that payment of these advances can be made by June 1, 2020.** Advances for April would normally have to be paid on May 20. Shifting payments to June 1, gives payers an additional 10 days.

February settlement the old way

However, the dates of current tax settlements do not change. Therefore, on March 20, you must settle income tax and pay an advance. On March 25, the deadline for sending uniform control files and VAT declarations will expire. **These dates will no longer be postponed – there is no time.** In turn, March 31 is the limit date for the preparation of the financial statements for 2019 for most companies in Poland and the obligation to submit, among others: CIT-8 declaration, MDR declaration regarding tax schemes, submission of IFT-2R declaration, and ORD_U declaration.

Read in LEX: CIT-8 – practical guide>

You can possibly hope to postpone the deadline for submitting financial statements and other documents submitted by the end of March. The calendar seems to allow this – the next government meeting is scheduled for Tuesday, March 24. The Sejm will meet on March 25 and 26. Government officials, however, do not mention the wider help of accountants and tax advisers.

See also:

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Accountants' problems remain

The Association of Accountants in Poland appealed to the Chancellery of the Prime Minister to postpone the deadlines for submitting all tax declarations and statements, reports to the National Bank of Poland, the Central Statistical Office, the State Fund for the Rehabilitation of the Disabled, all institutions granting subsidies as well as to prepare, sign and approve financial statements for the year 2019, as well as other periodic reports and testimonies for which stringent deadlines result from other regulations, including trading in securities, banking law, ~~for which the deadline for preparation and submission falls after March 12, 2020.~~ Tax advisers also made similar demands.

It turned out, however, that the presented assumptions of the anti-crisis plan did not contain many postulates, which were called for by accountants, tax advisors and entrepreneurs' organizations.

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Arkadiusz Łagowski, tax advisor, partner at Martini & Partners, a member of the Lewiatan Tax Council, confirms in an interview with Law.pl that the government's announcements left a lot of hunger. He points out that entrepreneurs had many expectations. Almost all business is now facing a dramatic situation, which threatens, among others collapse of financial liquidity.

– **The government did not refer to financial statements, reports to the Central Statistical Office or the NBP at all** – emphasizes the expert.

Read in LEX: Changes in VAT in intra-Community goods transactions from January 1, 2020 >

Discounts and redemptions only on application

Entrepreneurs who, in connection with the occurrence of coronavirus, will have problems with timely payment of tax receivables, may apply for a reduction or remission of arrears. A few days ago the Ministry of Finance reminded about it on its website. **The Ministry pointed out that in the event of negative financial consequences for entrepreneurs resulting from the outbreak of the coronavirus, tax offices will take into account these special circumstances when considering applications for granting tax relief (deferred payment, installment payment, cancellation of tax arrears, etc.).** Applications submitted by entrepreneurs pursuant to art. 67a and art. seq. Tax Code will be considered first.

See the procedure in LEX: Tax reliefs>

Pursuant to this provision, the tax authority, at the request of the taxpayer, in cases justified by the important interest of the taxpayer or the public interest, may:

- to postpone tax payment deadline or to spread tax payment in installments,
- defer or installment payment of tax arrears together with interest for late payment or interest on unpaid tax advances,
- cancel in whole or in part tax arrears, default interest or a prolongation fee.

However, a request for deferred tax payment should be submitted before its expiry.

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The provisions of the Fiscal Penal Code also give the tax authorities the **right to punish taxpayers if they do not submit declarations and do not pay taxes on time.**

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- It may happen that the tax return is not submitted on time, for example due to the taxpayer's illness or other objective circumstances. In this case, the taxpayer is exposed to sanctions arising from the provisions of the Fiscal Penal Code. The taxpayer may be punished by a fine or a fine. In addition, if the tax declaration resulted in a tax to be paid, he will have to increase his tax liability by interest – explains Piotr Popek, manager in the PIT team at KPMG in Poland. The expert adds that **before any sanctions in this respect can protect the submission of an additional document in the office, the so-called "active regret"**. According to art. 16 § 1of the Fiscal Penal Code, shall not be punishable by a fiscal crime or misdemeanor perpetrator who, after committing a criminal act, notified the body appointed to prosecute, revealing the relevant circumstances of this act, in particular persons cooperating in its commission. In such a document it is necessary to indicate what offense has occurred. It is also worth pointing out the objective premise why the deadline could not be met.

Read in LEX: Possibilities of avoiding punishment by the perpetrator of a tax crime (offense)>

- Active regret may prove ineffective if the tax office has already taken steps to punish the taxpayer. The Office is not bound by active regret, i.e. it may, despite submitting it, punish a given taxpayer for failing to submit a tax return – notes Piotr Popek.

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