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Mind the Gap 2026: Country fiche – Poland

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Mind the Gap 2026: Boosting public finances through joint efforts to reduce tax gaps and improve compliance

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Country fiche: Poland

Summary box: Areas of Strength and Areas for Improvement

Areas of Strength

- **Poland's tax administration relies on data-driven compliance with near real-time transaction visibility.** The system integrates, among other things, cashless payment data (STIR) and the National e-Invoice System (KSeF) for near-real-time monitoring. This multi-source approach enhances fraud detection, though pre-filled returns are not yet available for VAT.

Areas for Improvement

- **Poland's VAT compliance gap was among the highest in the EU in 2023, at 16% of the VAT Total Tax Liability (VTTL).** However, as of 2026, it will be mandatory to use a system of structured e-invoices registered in the KSeF system, and, from 2027, implementation of the VAT in the Digital Age (ViDA) package will begin, with both factors expected to contribute to improved VAT compliance in the future, which could also contribute to addressing the 2026 CSR related to improving tax compliance.

- **Poland does not regularly report on tax expenditures and there is no formal process for reviewing and evaluating them.** The last report on tax expenditures was published in 2021, covering 2016 to 2018. However, the Ministry of Finance is working to publish an updated report in 2026 covering 2022-2024. In 2026, Poland has also received a Council's country-specific recommendation to "continue to improve the efficiency of public spending, including through (…) extending the coverage of spending reviews", which includes reviewing all tax expenditures on a regular basis. Moreover, reviewing tax expenditures could also contribute to addressing the 2026 CSR to broaden general government revenue.

- **Poland is encouraged to improve monitoring of tax arrears** and in particular identify the stock of collectable tax arrears at the end of the year and the duration of tax disputes with a view to further reducing the closing stock of tax arrears.

1. Introduction and policy context

1.1. Snapshot of the tax system

The tax-to-GDP ratio has increased significantly in recent years and is getting closer to the EU average. Tax revenue (including social contributions) reached 36.6% of GDP in 2024, new historic high ([1]), after increasing by 2.4 percentage points (pps) since 2022 in a context of rapidly growing spending needs. Revenues ratio remains 2.8 pps below the EU average. Poland has a relatively low reliance on labour taxation, accounting for 40.6% of total tax revenue in 2024, about 11 pps below the EU average. This is relevant in the context of persistent labour shortages, largely driven by a shrinking working-age population. Consumption taxes account for 33.7% of total tax revenue (approximately 7 pps above the EU average). VAT revenues are comparatively large (8.0% of GDP, 0.9 pps above the EU average), despite a high VAT compliance gap. Capital taxes represent 25.7% of total tax revenue (approximately 4 pps above the EU average). Poland is the only Member State that joined the EU after 2004 where receipts from recurrent taxes on immovable property are above the EU average. Revenues from environmental taxes also outpace the EU average (3.0% of GDP vs 2.1%).

Despite the limited redistributive effects of its tax-benefit system, Poland has low levels of inequality and poverty. Poland has relatively low levels of income concentration, as the income quintile share ratio (S80/S20) ([2]) is 3.63 (income reference year 2024), significantly below the EU average (4.62) and the levels a decade ago (4.9). Likewise, the at-risk-of-poverty or social exclusion rate (AROPE) ([3]) is among the lowest in the EU, affecting 15.0% of the population (EU average: 20.9%). All that holds despite the limited role played by Poland's tax-and-benefit system in reducing income inequality. The Gini coefficient ([4]) has seen reduction of 6.1 pps in 2024 due to the tax benefit system, compared to a 7.8 pps average decrease in the EU. Labour taxation is relatively less progressive than other EU Member States, and the tax wedge ([5]) is relatively high for low earners, creating disincentives for labour market participation of low-skilled workers and women ([6]). The difference in the tax wedge between high-income (167% of average wage) and low-income earners (50% of average wage) is at 7.7 pps, well below the EU average of 12.5 pps.

[1] Data on tax revenues are based on European Commission: Data on Taxation Trends, edition 2026 (reference year 2024), which are produced by DG Taxation and Customs from ESA table 9 and National Tax List data, as collected and validated by Eurostat. The 2027 edition (reference year 2025) will be published in the first quarter of 2027. Recent Eurostat release shows a tax-to-GDP ratio of 36.7% in 2025, compared to an EU average of 39.7% (data of 30/10/2026 on [GOV_10A_TAXAG]).

[2] The income quintile ratio (S80/S20) is a headline indicator in the EU Social Scoreboard used to monitor income inequality. It measures the ratio between the total equivalised disposable income received by the top 20% of the population and the bottom 20%.

[3] Share of people living in households experiencing at least one of the three poverty and social exclusion risks: risk of poverty, severe material and social deprivation, and/or living in a household with very low work intensity.

[4] European Commission, DG ECFIN calculations based on EU-SILC survey data. A Gini coefficient of 0 expresses perfect equality where everyone has the same income, while a coefficient of 100 expresses full inequality where only one person has all the income. The difference between the "gross" (excluding pensions from social transfers) and the "net" Gini coefficient, i.e. before and after application of the tax-benefit system, reflects the difference between market income and disposable income.

[5] The tax wedge is an indicator of the tax burden on labour that can be assessed at different earnings levels. It is calculated as the sum of personal income tax, employee social-security contributions, employer social-security contributions and other mandatory contributions, net of cash family benefits where relevant, expressed as a percentage of total labour costs (composed of the gross wage plus employer social-security contributions). Data are based on the EUROMOD model, calculated by the Joint Research Centre of the European Commission. Unless indicated differently, values indicated in this country fiche refer to single earners.

[6] The tax wedge for an earner of 50% of the average wage is of 35.1%, 3.5 pps above the EU average. Earners of 100% of the average wage have a tax wedge of 39.9% (in line with the EU average), and earners of 167% of the average have a tax wedge of 42.8% (1.3 pps below the EU average).

In 2026, Poland has received the following country-specific recommendations (CSRs) in the area of taxation ([7]):

- *Continue to improve the efficiency of public spending, including through better targeting of social benefits and extending the coverage of spending reviews. Broaden general government revenue including by increasing the role of sources less detrimental to growth and improving tax compliance.*
- *Increase the supply and quality of affordable and social housing through efficient housing policy coordination and strategies, expanded affordable and social housing programmes, improved regulations, and revised property taxation.*

Poland is under the Excessive Deficit Procedure (EDP) since July 2024, with a Council recommendation to put end to it by 2028 ([8]). Poland had a government deficit of 7.3% of GDP in 2025 (up from 6.4% in 2024) and a government debt of 59.7% (up from 54.8%). Both indicators face continued unfavourable negative trend.

1.2. Tax complexity and simplification measures

1.2.1. Measures of tax complexity

Poland's tax system appears complex. Survey-based evidence from the Tax Complexity Index (TCI) places Poland at 27th rank among Member States. The underlying components of the TCI suggest that complexity arises more from the design of tax rules than from administrative procedures ([9]). The situation is not reflected by citizen perceptions as they are more favourable: 55% of respondents report that completing their tax return is easy, above the EU average of 49%, while reliance on professional assistance remains below the EU average at 6% ([10]).

Legislative activity appears moderate in recent years. Poland recorded 9 tax changes entering into force or announced in 2025, below the EU average of around 14 ([11]). This follows 19 tax changes in 2024 and only 4 in 2023. Overall, the available multi-year evidence does not point to persistently high legislative activity, although the number of tax changes has varied across years. The reforms adopted in 2025 cover a range of areas, including corporate income taxation, VAT, tax transparency and investment incentives. Business-related measures include the implementation of the Global Anti-Base Erosion (GloBE) Information Return and other reporting obligations under recent EU directives, an increase in the corporate income tax rate applicable to commercial banks alongside a gradual reduction of the banking asset tax, and an increase in the VAT registration threshold for small businesses. Other reforms simplify mandatory disclosure rules (MDR) by reducing domestic reporting obligations and aligning the framework more closely with the EU

[7] https://data.consilium.europa.eu/doc/document/ST-11133-2026-INIT/en/pdf.
[8] https://data.consilium.europa.eu/doc/document/ST-5037-2025-INIT/en/pdf.
[9] The Tax Complexity Index (TCI), developed under the Global MNC Tax Complexity Project, measures the complexity of countries' corporate income tax systems as faced by multinational firms. Based on survey data from tax professionals, it captures both the complexity of tax rules (tax code) and administrative procedures (tax framework), with values ranging from zero (not complex) to one (extremely complex).
[10] European Commission (2025), Flash Eurobarometer 562: Citizens' attitudes towards taxation, fieldwork conducted between 9 and 17 April 2025. Available at: https://europa.eu/eurobarometer/.
[11] The information is based on the tax measures reported by national administrations in the Joint OECD-European Commission Annual Tax Policy Reform Questionnaire, by aggregating and processing the responses received to the 2026 questionnaire. Responses to the 2026 questionnaire are relative to tax policy measures self-reported by the Member States that were implemented, legislated, or announced in each country between 1 January and 31 December 2025. While comprehensive, the list of tax measures is non-exhaustive.

Directive on administrative cooperation in the field of taxation (DAC), DAC6 Directive ([12]). While the overall level of legislative activity was not unusually high, businesses operating in Poland nevertheless need to adapt to a number of important changes in the short run affecting corporate taxation, international reporting obligations and tax administration.

Demand-side indicators do not speak for unusually strong demand for specialised tax and accounting expertise. The accounting, bookkeeping and tax consultancy sector accounts for around 0.7% of gross operating surplus, below the EU average of 0.9% ([13]). While this indicator is influenced by several factors, it does not speak for unusually strong demand for specialised tax and accounting expertise ([14]). Taken together, the evidence points to complexity in the design of Poland's tax rules, while other indicators – including taxpayer perceptions, legislative activity and demand for specialised tax and accounting expertise – provide a more moderate picture of practical compliance burdens.

1.2.2. National simplification efforts

In May 2025 Poland released a Deregulation Act in response to the need to simplify regulations, reduce administrative burdens, and enhance the predictability and transparency of economic law. The Act was prepared and carried out in close social dialogue – including in partnership with the *SprawdzamMY* team, an open initiative of entrepreneurs, experts and citizens aimed at creating deregulation proposals – which constitutes an example of a new model of law-making based on cooperation, trust, and a robust consultation process.

The Deregulation Act introduces solutions aimed at improving the quality of law-making in Poland. The most important include: a minimum six-month *vacatio legis* ([15]) for regulations imposing obligations on entrepreneurs, the principle of balancing administrative obligations i.e. "one-in, one-out" rule ([16]), strengthened requirements for planning ex post regulatory impact assessments, as well as the cyclical preparation of a governmental regulatory programme. These changes could improve the legal environment, predictability of legislation and reduce administrative burdens on for businesses.

As a follow-up to the Deregulation Act, Poland included "Simplification of Tax Law" on the list of key government priorities in September 2025. In relation to this, Poland is currently working on legislative projects in areas of Polish tax law where the need for simplification and unification is most urgent. The ultimate aim is to eliminate obsolete and redundant regulations.

[12]Poland's Constitutional Tribunal ruled on July 23, 2024 (Case K 13/20) that national Mandatory Disclosure Rules (MDR) which implemented and expanded upon the EU's DAC6 Directive were unconstitutional regarding tax advisors. The Court's decision conflicted with broader guidance from the Court of Justice of the European Union (CJEU), which generally upheld DAC6 reporting frameworks under EU law. To resolve domestic pressures and systemic overreach, Poland enacted a major legislative reform (signed June 2026) taking effect October 1, 2026.

[13] A higher share of gross operating surplus indicates that the accounting, bookkeeping and tax consultancy sector generates a relatively larger share of operating profits and value added in the economy. While not a direct measure of tax complexity, it may point to a comparatively important professional services sector and, indirectly, to greater demand for specialised tax and accounting expertise.

[14] While some cross-border provision of accounting, tax consultancy and related services may be captured through imports and exports of services, available evidence suggests that such flows are relatively limited. In particular, data from the Eurostat's EU inter-country supply table at basic prices (reference year 2023) indicate that cross-national transactions in these services represent only a small share of overall activity, if any, suggesting that their impact on the interpretation of domestic sector size is likely to be limited.

[15] The period between the official publication of a law and the date when it enters into force.

[16] As a government introduces a new regulation or administrative burden ("one in"), it should remove or reduce an existing one ("one out").

To this end, focus is put on liquidation of unnecessary procedures and reduction of the costs and time spent by the taxpayer on tax compliance. These actions are intended to strengthen investment.

In addition, since 2022 Poland has made significant effort to reduce the complexity of the VAT tax framework. The most important changes include the phased introduction of the mandatory National e-Invoice System (KSeF) in 2026; streamlining the VAT reporting process; introduction of the "VAT group" into the Polish legal system ([17]); adoption of the so-called Simple Local and Modern VAT (SLIM VAT 3) package in 2023 which introduced a number of simplifications in VAT settlements; inter alia the abolishment of the requirement of having an invoice for intra-Community acquisitions of goods (ICA) when deducting input VAT on this account.

Further work is currently underway on amending the VAT Act. It includes deregulatory measures aimed at: (i) facilitating and expediting the termination of business operations for entrepreneurs registered in the Central Registration and Information on Business (CEIDG) and the National Court Register (KRS) by waiving the obligation to submit the VAT-Z form, and (ii) elimination of the obligation for taxpayers to submit VAT-R updates due to changes in the jurisdiction of the tax authority resulting from updated address data ([18]).

1.3. Measures of the non-observed economy and the shadow economy

Estimates of economic activities outside the formal economy are relevant for gauging tax gaps. The non-observed economy (NOE) is an official figure provided by national statistical authorities estimating all economic activities that may not be captured in the basic data sources used for compiling national accounts. It includes underground, informal, illegal, and household self-use production, as well as activities missed due to imperfect data collection ([19]). The shadow economy is an analogous but narrower concept — used in the economic literature and measured via macroeconomic models — that usually encompasses only legal, market-based productive activities deliberately concealed from public authorities to evade taxes or regulations. Due to limitations and methodological differences between the two approaches, model-based estimates of the shadow economy paradoxically often turn out to be considerably higher than NOE-based estimates.

Specifically, recent data from official sources ([20]) allow to estimate the size of the NOE in Poland at 13.4% of GDP for 2022. Such estimates are 6 pps above the EU average of 7.4% of GDP ([21]).

Different models produce substantially different estimates for the shadow economy, reflecting the complexity of such estimation. As in most EU Member States, model-based estimates of the shadow economy for Poland are higher than the NOE estimate discussed above. In

[17] A VAT group is a special arrangement that allows two or more closely liked but legally independent entities to be treated as a single VAT taxpayer.
[18] The VAT-Z form is the notification used to deregister for VAT while the VAT-Z form concerns cessation/deregistration.
[19] Statistical deficiencies (N7) are related to incomplete, not collected or not directly collectable data. See Fernandes, A. (2025), The non-observed economy in the national accounts: New evidence for EU and EFTA Member States - available at https://www.sciencedirect.com/science/article/pii/S0313592625000712 - for the definitions of the other components of NOE: Producers deliberately not registering (N1); Illegal economy (N2); Producers not required to register (N3); Registered legal persons not surveyed (N4); Registered entrepreneurs not surveyed (N5); Producers deliberately misreporting (N6). Informal economy = N3+N4+N5. Underground economy= N1+N6. In other words, the informal economy specifically covers unregistered or small-scale unincorporated enterprises run by households.
[20] For data and documents used for calculations by TAXUD, see Section 1.3 "Measures of the non-observed economy and the shadow economy" in Annex A to this report (Methods, Data and Assessment Framework of the Country Fiches).
[21] The (unweighted) EU average does not include Luxembourg, which has not sent data to EUROSTAT.

2022, the shadow economy in Poland represented 21.9% of GDP, according to estimates by Schneider and Asllani for the European Parliament ([22]). This ratio is 4.3 pps above the EU-27 average and it has decreased compared to 2003 (27.7% of GDP). The report also indicates that indirect taxes, unemployment and self-employment are the main drivers of the shadow economy in Poland. Several other studies provide estimates of similar magnitude for the size of the shadow economy ([23]). However, using a currency demand approach (CDA), a recent study by EY ([24]) reports lower estimates for the Polish shadow economy at 9.7% of GDP in 2023 (EU average 7.9%), down from 19.1% in 2000 (EU average 13.2%).

2. Compliance tax gaps

2.1 Overview

Whereas Poland currently does not officially publish an overview of national tax gaps ([25]), it is actively working on developing such activities. Poland confirmed it is constantly working to improve tax compliance, including cooperation with other Member States and international organisations in the exchange and application of good practices. The expected benefits are more efficient tax administrations and increased compliance, notably for corporate income tax (CIT) and VAT purposes.

Poland participates in the TADEUS/Fiscalis programme on estimating tax gaps. The Fiscalis Project Group on Tax Gap Estimation, a collaborative initiative launched with the support of the European Commission, aims to develop a harmonised approach to estimating tax gaps across EU Member States ([26]). Poland participated in the first cycle, which concluded in 2025, and continues to participate in the current cycle, launched in 2026.

Poland is making use of the Technical Support Instrument (TSI) to advance its tax gap estimation capabilities. Since 2023, the Ministry of Finance, in cooperation with the IMF and the European Commission, has been implementing a TSI project "Improve the capacity of Poland to better assess and counteract the "grey economy" and aggressive tax planning". Within this framework, the Polish tax administration is receiving assistance to (i) estimate the size of the informal economy, (ii) measure tax gaps in its economy, and (iii) refine measures to address the informal economy and close the tax gaps. So far, Poland received support in calculating both the VAT- and the CIT gap.

The remaining part of the project focuses on developing a Whole-of-Government approach to counter the grey economy. As part of this effort, the Ministry of Finance prepared a legal act establishing the Inter-Ministerial Team for counteracting the Grey Economy, responsible for coordinating actions against the grey economy in Poland. Currently, two Taskforces are operating: one focused on effective information sharing among different institutions and another on combating the grey economy in the economic sectors specifically prone to the grey economy. Their

[22] This study uses a MIMIC approach (Multiple Indicator Multiple Cause). European Parliament (2022), Taxation of the informal economy in the EU. Study available at: https://www.europarl.europa.eu/RegData/etudes/STUD/2022/734007/IPOL_STU(2022)734007_EN.pdf.
[23] See Fernandes op. cit. (2025) for an overview of various studies.
[24] The report is available at https://www.ey.com/content/dam/ey-unified-site/ey-com/en-gl/insights/tax/documents/ey-gl-shadow-economy-report-02-2025.pdf.
[25] Poland confirmed they publish estimates of the VAT gap annually in the section of the State Budget Execution Report. The latest report, covering 2025, is available on the Ministry of Finance Website.
[26] For details, please refer to the TADEUS website, the FISCALIS programme website and the Final Report of the Project.

work is still in the analytical phase, so it has not yet been possible to indicate concrete specific solutions to reduce the scale of the grey economy in these areas.

2.2 Compliance tax gaps in VAT

Poland has a relatively high VAT compliance gap ([27])**.** For 2023, it was estimated at around 16% of the VAT Total Tax Liability (VTTL) ([28]), or approximately PLN 47 billion (about EUR 10 billion). Poland's VAT compliance gap was thus higher than the EU average of 9.5% in 2023. After falling from around 15% in 2019 to 5% in 2021, it increased again in 2023 ([29]). This rise was linked to a decrease in the growth in consumption of easily taxable, low risk goods (such as food and non-alcoholic beverages), an increase in the share of services in GDP, and a rise in bankruptcy declarations.

Over the years Poland has implemented several tools to improve the tax compliance. That includes SAF-T (the international standard for the electronic exchange of accounting data developed by the OECD). It also includes an account-monitoring platform (STIR) which enables real-time monitoring and analysis of financial flows using bank and payment account data. STIR allows comparison of transaction data with information held by the National Revenue Administration (KAS), such as the JPK-VAT file ([30]). This helps prevent undue VAT refunds. In 2022, an 'e-Tax Office' (*e-Urząd Skarbowy*) was established for electronic handling of all tax-related matters in the fields of VAT, personal income tax (PIT) and CIT, also through mobile application. The electronic payment of VAT obligations became compulsory, and the IT system used by the Polish tax administration to manage VAT arrears can prioritise cases based on their size and age and allow arrears to be collected via instalment plans. In 2026, the system of structured e-invoices registered in the KSeF system, introduced in 2022, became mandatory as of 1 February 2026 for the biggest companies and as of 1 April 2026 for other taxpayers. Its aim is to facilitate and tighten the collection of VAT and its control in real time ([31]).

Poland has also started implementing the VAT in the Digital Age (ViDA) package. The Ministry of Finance has prepared two main draft bills amending the VAT Act to implement it (currently under consultation): one focuses primarily on e-invoicing, digital reporting requirements (DRR), and new e-commerce rules; the second implements the single VAT registration (SVR) system and new taxation rules for digital platforms. All new obligations from the package will be phased in by stages, starting from 2027.

2.3 Compliance tax gaps in corporate and personal income tax

According to available national estimates, the CIT gap in Poland is around 30% of potential revenues. The Polish Economic Institute estimated that the gap in budget revenues from CIT in 2019-2020 accounted for about 30% of potential revenues from this tax, which meant a loss

[27] The VAT compliance gap is an estimate of revenues lost due to VAT fraud, evasion and avoidance, bankruptcies and financial insolvencies, or miscalculations.
[28] The VAT Total Tax Liability (VTTL) is the theoretical tax revenue that would be collected in a situation of perfect taxpayer compliance, assuming an unchanged net VAT base.
[29] See European Commission, Syntesia, Poniatowski, G., Bonch-Osmolovsky, M., Śmietanka, A. et al., VAT gap in Europe – Report 2025, Publications Office of the European Union, Luxembourg, 2025, https://data.europa.eu/doi/10.2778/7868422.
[30] JPK-VAT is an electronic VAT (Jednolity Plik Kontrolny dla VAT) is an electronic VAT reporting file that taxable persons in Poland submit to the tax administration.
[31] 2026 Country Report - Poland p. 51.

of public revenues in the range of PLN 20-30 billion (ca. EUR 4.58-6.86 billion) per year ([32]). According to a 2024 report published by the Supreme Audit Office (NIK) ([33]), the supervision of the National Revenue Administration over the correctness of CIT payers' settlements handled by non-specialized tax offices requires strengthening. Significant barriers were identified in terms of organisation and available human resources, leading to an insufficient number of tax audits conducted and a limited scope of audit data to effectively estimate the CIT gap.

In 2025 Poland launched a National Revenue Administration Competence Centre for Combating Aggressive Tax Planning in CIT. Its role is to support Ministry of Finance department that oversees audits in the field of combating aggressive tax planning in CIT. This Centre was established for an unidentified period, and its work will be subject to quarterly reporting.

The IMF has recently estimated the CIT compliance gap in Poland, based on a bottom-up approach ([34]). As part of the above-mentioned TSI project, the IMF estimated the compliance CIT gap for corporations with less than 250 employees using a bottom-up approach, based on the Polish Ministry of Finance (MoF) data and 2019–2023 audits by the National Revenue Administration (NRA). The average yearly CIT gap across income years 2019-2023 is estimated to represent 20.3% of potential CIT liability, based on audited CIT returns. However, those results cannot be extended to the whole taxpayers' population.

European Commission estimates suggest a relatively high CIT compliance gap in Poland. Based on a methodology developed by the Joint Research Centre which relies on a top-down approach using national accounts data and estimates of the non-observed economy produced by national statistical offices, the CIT compliance gap of Poland is estimated at around 14.6% of collected CIT revenues based on 2022 data ([35]). Based on the same methodology, the (unweighted) average CIT compliance gap is 9.2% of collected CIT revenues across all Member States. Compared to an earlier estimate of around 20.2% in 2017, this indicates a decline over time, though the estimated level remains clearly above the EU average.

As for the PIT gap, recent research provided potential estimates. A study conducted in the framework of the TADEUS/Fiscalis project tested an experimental approach to estimate the PIT and social contributions gap in Poland ([36]). Based on the data from the 2018 European Union Statistics on Income and Living Conditions (EU-SILC), the estimates fall between 15.5% and 27.3% of potential liability, depending on the approach used.

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[32] Sawulski, J., Klucznik, M., Reczek, M., Rybacki, J. (2022), Luka CIT w Polsce, Working Paper, nr 2, Polski Instytut Ekonomiczny, Warszawa., available at https://pie.net.pl/wp-content/uploads/2022/12/WorkingP-2-2022-Luka-CIT-w-PL.pdf.
[33] CIT przecieka urzędom skarbowym przez palce.
[34] See Republic of Poland: Technical Assistance Report-Corporate Income Tax Gap Estimation Based on Operational Audits
[35] European Commission estimates are based on a top-down methodology for approximating CIT compliance gaps using national accounts data. The approach relies on exhaustiveness adjustments made by national statistical offices to Gross Operating Surplus, Gross Value Added and Gross Domestic Product in order to account for non-observed economic activity in the compilation of GNI. The method provides a harmonised proxy for domestic underreporting of corporate income, but does not capture all sources of CIT revenue losses, in particular those related to international profit shifting or other forms of legal tax optimisation. For further information on the data sources, underlying assumptions and methodological caveats, see Annex A to this report (Methods, Data and Assessment Framework of the Country Fiches).
[36] European Commission: Directorate-General for Taxation and Customs Union, Estimation methods for the personal oncome tax gap (including social security contributions) in the EU. Part 2, An approach based on survey data, Publications Office of the European Union, 2024, https://data.europa.eu/doi/10.2778/243161.

2.4 Other compliance tax gaps

The Commission continues its work on excise gap estimation, developing and scrutinising methodologies with experts from over 20 Member States, with the aim of delivering more robust estimates that better support policy and operational work. This work also illustrates Member States' growing engagement in the field.

In 2025, Poland launched a project aimed at estimating the excise gap, based on a methodology developed in collaboration between the Ministry of Finance and researchers from several Polish universities. The project is currently under development. In the past the Ministry of Finance conducted a project in collaboration with the World Bank that aimed at developing a methodology for estimating the excise gap for the years 2011-2019. The project was a one-off project, and the methodology has not been implemented in the long run. Further the country demonstrates an interest in strengthening EU cooperation on excise matters through its active participation in the FISCALIS project group on Excise gap, that it is also chairing.

There is no indication of other regular compliance gap estimation activities in Poland. There are no official programmes or published figures for compliance gaps related to other tax measures.

3. Policy Tax Gaps

3.1 Tax expenditure reporting and evaluation

Whereas currently Poland does not regularly report on all tax expenditures, the Ministry of Finance is currently working to resume reporting. A report covering the years 2022-2024 is planned for 2026. The last detailed report on tax expenditures was published in 2021, covering years from 2016 to 2018 ([37]). Based on its results, the total amount of tax expenditures in 2018 related to PIT, CIT, VAT, excise tax, and local taxes (i.e., real estate tax, agricultural tax, forestry tax) was estimated at PLN 118.3 billion (approximately EUR 27.8 billion), which represented 5.6% of GDP and 27.7% of total tax revenues. Poland is still publishing tax expenditure data related to some specific taxes, such as real estate tax, agricultural tax and forest tax,

More than half of quantified forgone revenues in Poland were due to tax expenditures related to VAT ([38]). According to the 2018 report, forgone revenues for VAT amounted to PLN 66 billion (EUR 15.49 billion, ca. 60% of total tax expenditures) ([39]), PLN 26 billion for PIT (EUR 6.10 billion, ca. 22%), PLN 16.5 billion for CIT (EUR 3.87 billion, ca. 14%), PLN 1.5 billion for excise taxes (EUR 0.35 billion, ca. 1.3%) and PLN 7.8 billion for local taxes (EUR 1.83 billion, ca. 6.5%). The 'OECD Economic Survey: Poland 2025 – Report' recommends broadening the revenue base by reforming or phasing out ineffective and regressive tax expenditures ([40]).

[37] An incomplete collection of past Reports on Tax Preferences in Poland (Raport – Preferencje podatkowe w Polsce), can be found on https://finanse-arch.mf.gov.pl/pl/web/wp/abc-podatkow/preferencje-podatkowe-w-polsce and https://podatki-arch.mf.gov.pl/media/7339/raport-preferencje-podatkowe-w-polsce-nr-8.pdf.

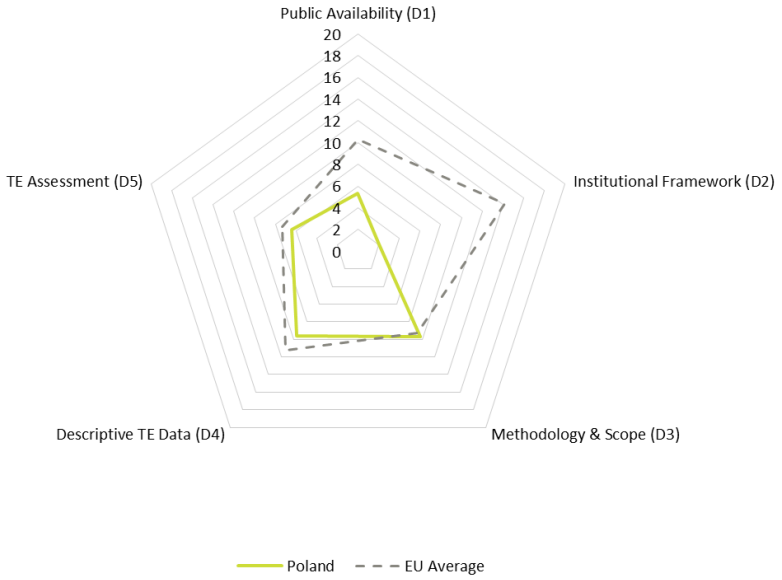
[38] The cited statistics only refer to those tax expenditures that have been quantified, which are predominantly consumption taxes. Unquantified items within income taxes frequently include exemptions and separate, preferential tax regimes for specific taxpayers groups that represent potentially high-cost tax expenditures.

[39] These figures differ from the estimates of the VAT rate gap and national policy-driven VAT exemption gap produced under DG TAXUD's VAT gap in Europe study and presented in section 3.2. This is due to differences in the methodology applied.

[40] OECD Economic Surveys: Poland 2025 | OECD

Compared to other Member States, transparency and comprehensiveness of tax expenditure reporting in Poland shows room for improvement (overall ranked 24th, according to the Global Tax Expenditures Transparency Index (GTETI) score). According to the GTETI analysis, transparency in tax expenditures reporting in Poland is below the EU average overall. Figure 1 depicts the GTETI results for the five dimensions analysed in comparison to EU averages ([41]). Maximum value for each dimension is 20. Poland is on par with the EU average on 'Methodology and Scope' and 'Tax Expenditure Assessment'. However, 'Public Availability' is below the EU average (5.33 vs 10.26), 'Institutional Framework' is below the EU average (2.00 vs 14.19), and 'Descriptive Tax Expenditure Data' is below the EU average (9.60 vs 11.28), indicating no legal requirement to report on TEs, no submission to parliament, no integration in the budget proposal, no integration in the medium-term strategy, indicating irregular or infrequent publication, lack of timely data for recent fiscal years.

Figure 1: Poland vs EU average — GTETI v2.1 dimension scores (max 20 per dimension)



Source: GTETI v2.1.

No formal process for reviewing and evaluating tax expenditures could be identified. The OECD Economy Survey for Poland 2025 found that Poland has amended its spending review process but uses it only to a limited extent. The report suggests that Poland should carry out comprehensive spending reviews and introduce tax expenditure reviews. Both should be integrated in the budgetary process ([42]). As part of Polish RRP, Poland made efforts to strengthen the link between the published spending review reports and the budget.

[41] See the Global Tax Expenditures Transparency Index (GTETI) companion paper (2026) and Annex A to this report (Methods, Data and Assessment Framework of the Country Fiches) for details. The GTETI summarises information in five dimensions. These are (1) Public availability — whether a TE report exists and is accessible; (2) Institutional framework — its legal mandate, periodicity, and integration into the budget process; (3) Methodology and scope — the benchmark definition, estimation method, and coverage of taxes; (4) Descriptive tax expenditure data — the granularity and classification of reported provisions; and (5) Tax expenditure assessment — the quality of revenue-forgone estimates and whether TEs are evaluated for effectiveness.

[42] OECD Economic Surveys: Poland 2025.

3.2 Policy tax gaps in VAT

In recent years Poland has changed the VAT rates on several goods. As of 2023, Poland gradually loosened the Anti-Inflation Shield and raised VAT rates: to standard 23% for motor fuels, natural gas, electricity and district heating (in 2023). Also, for a series of reduced-rate products a 0%-rate was ended in 2023 and 2024. This included fertilisers (back to 8%) and basic food products**:** meat, fish, dairy, vegetables, fruits, and bakery products (back to 5%). On the other hand, a reduced VAT rate of 8% was introduced in 2024 for specific cosmetic services, manicures, pedicures, and other skin care treatments. In 2025 a preferential 0% VAT rate was extended to lifeboats and rescue craft used both at sea and on inland waterways and the rate for the supply of live horses and donkeys was raised from 8% to 23%. In 2026, the rates increased from 5% (retail) and 8% (catering) to 23% for non-alcoholic alternatives to beer, wine, cider, and energy drinks containing caffeine or taurine. Moreover, due to the energy crisis triggered by the conflict in the Strait of Ormuz, Poland temporarily (31 March until 30 June 2026 and 17-31 August, and 3 October until 31 December 2026) introduced a reduced rate (8%) for petrol, gasoil and biocomponents.

The VAT policy gaps in Poland (national policy-driven VAT exemption gap and VAT rate gap) are above EU average. Revenues forgone due to the application of reduced rates and national policy-driven exemptions reached around PLN 210 billion (EUR 45 billion) in 2023 ([43]). The national policy-driven VAT exemption gap ([44]) was estimated at around PLN 100 billion (EUR 21 billion) in 2023, or 16% of the notional ideal revenue ([45]), while the EU average was 11%. The VAT rate gap ([46]) was estimated at over PLN 110 billion (EUR 25 billion) in 2023, or 19% of the notional ideal revenue, higher than the EU average of 12%.

Tax-simulations indicate that Poland's reduced VAT rates in 2025 are concentrated in a small number of categories, led by 'food and beverages' ([47]). 'Food and beverages' accounts for the largest share of forgone revenues at 56.3%, well above the EU mean share of 39.8%. 'Restaurants and accommodation' come second at 11.1%, well below the EU mean share of 20.4%. 'Health' ranks third at 11.0%, close to the EU mean share of 10.4%. These three categories account for 78.5% of Poland's total forgone revenue.

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[43] See European Commission, Syntesia, Poniatowski, G., Bonch-Osmolovsky, M., Śmietanka, A. et al., VAT gap in Europe – Report 2025, Publications Office of the European Union, Luxembourg, 2025, https://data.europa.eu/doi/10.2778/7868422.

[44] The national policy-driven VAT exemption gap represents the part of the VAT policy gap that can in principle be influenced by national policies on VAT exemptions. In practice, it consists of revenue forgone from services falling under Article 137 (such as real estate and certain financial services), from the SME scheme, and from national exemptions applied under standstill clauses or derogations. The VAT policy gap refers to the revenue lost due to the application of VAT exemptions and reduced, super-reduced, and zero VAT rates on selected products.

[45] The notional ideal revenue is the benchmark VAT revenue that assumes perfect taxpayer compliance in a situation where the current standard VAT rate is applied to all final consumption and household, government, and NPISH investment.

[46] The VAT rate gap refers to the portion of the VAT policy gap resulting from revenues lost due to the application of reduced, super-reduced, and zero VAT rates on selected products.

[47] The VAT rate gap is analysed here using EUROMOD's household consumption tool. No behavioural adaptation is considered. Note that VAT rates are mostly not an efficient tool for redistributive policies, in part due to incomplete pass-through to consumer prices, in part due to limited targeting of reduced rates. For more details on assessing the impacts of reduced VAT rates with EUROMOD, see Turrini et al. (2024), Tax Expenditures in the EU: Recent Trends and New Policy Challenges, European Commission, European Economy Discussion Paper 212; Ricci et al. (2026), Fiscal Costs and Redistributive Effects of Reduced VAT Rates in the EU, European Commission, European Economy Discussion Paper 244; Trzcinski and Amores (2026), The VAT Policy Gap and Redistribution in the European Union 2025, European Commission, Seville, JRC14876; and Annex A to this report (Methods, Data and Assessment Framework of the Country Fiches).

Poland's reduced VAT rates lower inequality as measured by the Gini index by 0.76 pps, above the EU average reduction of 0.50 pps. 'Food and beverages' contribute 0.58 pps (76.4% of the total), above the EU mean contribution of 0.32 pps.

3.3 Policy tax gaps in corporate income tax

Whereas there is no data available on the tax expenditure related to the corporate taxation, the presence of a reduced tax rate and a wide range of tax reductions point to a significant gap. The reduced CIT rate of 9% can be applied to income by small and newly established taxpayers. In addition, Polish taxpayers can choose an independent income taxation system known as 'Estonian CIT', under which CIT is generally paid only upon distribution of income.

Poland offers various tax incentives to support investment as well as R&D. Income tax exemption for new investments (the so-called 'Polish Investment Zone') is a form of support for enterprises, particularly important for large companies due to significantly limited possibilities of obtaining cash grants. In addition, corporate taxpayers can benefit from the tax relief to Research and Development, an Innovation Box, an innovative employee tax relief, relief for robotisation, prototype (introduction of new products) and expansion (entering new markets). Relief for corporate social responsibility, initial public offerings and consolidation is also available.

3.4 Policy tax gaps in personal income tax

In Poland individual taxpayers can benefit from a wide range of tax deductions and reduced tax rates. These include charitable contributions, internet connection expenses, blood donations, rehabilitation expenses, thermo-modernisation relief and payments made to the individual insurance security account. In addition, taxpayers who have minor children, or children under the age of 25 who continue to study, are eligible for a child credit. Certain self-employed groups can also benefit from a reduced tax rate.

Tax-simulations for 2025 suggest that certain PIT-related tax expenditures have negligible distributional implications in Poland overall ([48]). PIT-related tax expenditures imply revenue forgone equivalent to 7.7% of actual PIT revenues, well below the EU average of 19.1% ([49]). The largest share of revenue forgone arises from work-related tax expenditures (6.4% of PIT revenue). Another significant category are family-related tax expenditures, which have the largest progressive effect, reducing the Gini index by 0.15 pps (1.4% of PIT revenue). A regressive effect can be observed for work-related tax expenditures, the largest field by revenue forgone, with the Gini index increasing by 0.21 pps. Tax expenditures with regressive distributional implications could serve policy objectives other than redistribution ([50]) ([51]).

[48] Simulations are based on EUROMOD and do not account for behavioural changes. For more details on assessing the impacts of tax expenditures in the PIT with EUROMOD, see Turrini et al. (2024), Tax Expenditures in the EU: Recent Trends and New Policy Challenges, European Commission, European Economy Discussion Paper 212; Leventi et al. (2026), Personal Income Tax Expenditures in the EU, European Commission, Seville, 2026, JRC148748; and Annex A to this report (Methods, Data and Assessment Framework of the Country Fiches).

[49] According to the European Commission's taxation trends data, PIT revenues in Poland amounted to approximately EUR 42.6 billion in 2024. This would imply revenue forgone of approximately EUR 3.3 billion due to PIT tax expenditures according to the microsimulation (7.7% of EUR 42.6 billion).

[50] TEs are employed with a broad range of policy objectives. The fact that a given TE might have a regressive distributive effect does not imply that it does not successfully implement its stated objective.

[51] Importantly, this tax-simulation analysis seems to disregard the option for preferential tax treatment for the self-employed which can be considered a tax expenditure. In Poland, given the preferential tax treatment, switching to the self-

4. Effectiveness of tax administration

4.1 Registration/identification of taxpayers

Poland's tax identification and registration system combines segmented identifiers with a highly digitalised, self-service compliance platform. The system uses two core identifiers: the PESEL (national ID) for individuals' personal taxes and the NIP (Tax Identification Number) for businesses' VAT, CIT, and other obligations. Through the e-Tax Office portal and its Taxpayer Report service, all taxpayer categories - natural persons, entrepreneurs, and legal entities - can monitor their tax obligations, including missing returns, filing errors, unpaid taxes, and pending enforcement actions. The portal also allows direct access to modify VAT-relevant data, with interconnected databases ensuring records remain current. While the system currently relies on taxpayer-initiated compliance checks, plans to introduce automatic notifications in the future will further enhance proactive monitoring ([52]).

Poland's e-commerce oversight, embedded into the general register, operates through a highly automated and multi-source monitoring system. A comprehensive, data-rich approach replaces earlier reliance on general VAT registrations. The National Revenue Administration (NRA or KAS) has implemented AI-driven analytics to track e-commerce activities, integrating data from online marketplaces, cashless payment systems (STIR), and logistics networks (SENT). The system relies on DAC7 platform reports, near real-time transaction visibility via the KSeF system, and shadow economy detection through advertising portal scans ([53]).

Poland's risk-based registration focuses on post-registration detection rather than pre-emptive verification. The NRA does not perform systematic legal/ID checks or risk-based preliminary screening during registration. Instead, it actively monitors unregistered or underreported activities using existing reporting tools (e.g. online cash registers, KSeF e-invoices) to identify shadow economy risks, particularly in high-risk sectors (construction, automotive services, and e-commerce via digital platforms) ([54]).

Poland's qualification and invalidation of VAT numbers based on Eurofisc fraud signals appear to be handled with comparatively long timelines. However, as the replies provided by Poland contain only limited procedural detail, it is not possible at this stage to assess with confidence how national legislation or administrative steps shape these outcomes, nor to identify clear trends or reasons for the delays.

4.2 Tax filing and assessment

E-filing and structured reporting are backed by centralised platforms and automation, with real-time integration work in progress. Poland's tax system is highly digitalised, with e-filing and structured reporting now standard for PIT, CIT, and VAT. PIT relies on online taxpayer services, CIT mandates electronic submissions, and VAT, the most advanced, combines e-filing with automated data checks. Centralised platforms unify filings, payments, and correspondence. Though

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employment is a frequent practice. IMF's Article IV report from 2024 proposes to reform the current self-employment framework by basing the contributions on actual income. This would help improve future pensions of the self-employed and close the gap between the self-employed and employees.

[52] Findings based on Member States' annual reports (mostly 2025-2026) under Article 12, Regulation (EEC, Euratom) No 1553/89 (VAT own resources collection).

[53] Ibidem.

[54] Ibidem.

real-time data integration is limited, further AI-driven automation is planned to expand by 2028 in the areas of e-services and optimised enforcement ([55]).

Pre-filling remains largely limited to PIT, with no official pre-filled VAT returns. Poland's pre-filling for PIT provides pre-populated returns since 2019 and is gradually expanding coverage ([56]). Poland has developed extensive digital reporting and processing infrastructure - including mandatory electronic VAT reporting (JPK), structured e-invoicing (KSeF), and digital accounting/reporting for CIT (JPK_CIT/JPK_KR) – which provides the tax administration with comprehensive data but does not currently translate into pre-filled VAT or CIT returns.

Poland's e-filing performance shows strong compliance for VAT and PIT. In 2024, Poland achieves 99.8% VAT e-filing (above the EU average of 99.2%) and 97% for PIT (exceeding the EU's 88.4%). However, CIT trails at 93.9% (below the EU average of 97.3%), indicating some room for improvement in corporate tax filings ([57]).

Taxpayer support combines digital tools with multi-channel assistance. Poland's taxpayer support centres on digital self-service platforms ([58]) offering pre-filled returns, secure filings, and tax calculators. The Multichannel Communication Centre offers phone, email, and 24/7 chatbot support.

Poland makes systematic use of data obtained through the automatic exchange of information (AEOI), under the DAC ([59]). Namely, DAC1 ([60]), DAC2 ([61]), and DAC7 ([62]) for the purposes of personal and corporate income taxation, as well as inheritance and wealth taxation. The identification of taxpayers concerned in Poland is very efficient: in 2025, the matching rate ([63]) measuring success in identifying registered taxpayers with DAC data is close to 100% for DAC1 ([64]) and DAC2 (the EU-average being 84% and 92% respectively). However, Poland did not communicate the matching rate on DAC7. In this respect, the TIN validation tool envisaged in the DAC recast proposal will support the matching process to approach a 100% automatic matching rate, ultimately allowing Poland to eliminate manual matching from the processes in place.

Once the taxpayers concerned have been identified, tax authorities use the available data for tax risk assessment ([65]) to detect possible undeclared income and, if relevant,

[55] Strategy of the National Revenue Administration - Ministry of Finance - National Revenue Administration - Portal Gov.pl.
[56] https://www.podatki.gov.pl/twoj-e-pit.
[57] International Survey on Revenue Administration data. https://data.imf.org/en/datasets/ISORA:ISORA_LATEST_DATA_PUB.
[58] Such as e-Urząd Skarbowy, Podatki.gov.pl, and Twój e-PIT.
[59] Sources: Yearly Assessment 2026.
[60] Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC: automatic exchange of information on income from employment, pensions, director's fees, immovable properties, life insurance products, royalties.
[61] Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation: automatic exchange of information on financial accounts.
[62] Council Directive (EU) 2021/514 of 22 March 2021 amending Directive 2011/16/EU on administrative cooperation in the field of taxation: automatic exchange of information on income from digital platforms.
[63] The matching rate indicates to what extent a Member State has been able to identify their taxpayers in their national tax databases with information received from other Member States under the DAC. Such matching is necessary to ensure that the data can be used for tax compliance purposes. The matching rates mentioned in this report are based on the metrics approved by the tax authorities in the TADEUS meeting of December 2024.
[64] Income from employment, pensions, director's fees, immovable properties.
[65] Risk assessment: tax risk assessment is a key element of modern tax administration. It allows tax authorities to identify situations that suggest specific taxpayers or arrangements may pose an increased risk to their jurisdiction and require further actions in terms of compliance. In general, EU tax authorities use automated methods based on domestic data and information received from other jurisdictions.

tax assessments or general audit. In Poland, this use is not only relevant for PIT, but also to detect undeclared professional activities, as tax authorities use for this purpose the most recent exchange of information on income from digital platforms (DAC7). This systematic approach ensures that data is used to its full potential. This leads to significant increases in the assessed tax base and tax due which is regularly measured by Poland. It is recommended that the monitoring system in place be extended to the use of data received from digital platforms (DAC7), in particular to report the taxpayer's identification matching rate.

Poland has been relatively active in VAT administrative cooperation ([66]). In 2024, Poland sent 2 701 requests for information and received 2 052 requests ([67]). Based on a standardised measure, taking into account the relative size of the Polish economy, Poland is above the EU weighted average on both the number of requests sent and on the number of requests received ([68]).

Poland records good results in automatic exchange of VAT information. In 2024, Poland reported 63 295 VAT identification numbers allocated to taxable persons not established in the Member State. For information on new means of transport, it forwarded 871 cases. Based on a standardised measure, taking into account the relative size of the Polish economy, Poland is well above the EU weighted average on both VAT identification numbers allocated to taxable persons not established in the Member State and the volume of information on new means of transport ([69]).

4.3 Compliance risk management

Poland's compliance risk management (CRM) system is structured and data-driven, though lacks public transparency. The KAS operates a comprehensive CRM strategy covering all tax processes, from filing to audits, operationalised through data analytics, risk scoring and integrated IT systems (e.g. TWIN, e-Tax portals. Key focus areas include VAT fraud, undeclared work, cross-border evasion, and e-commerce challenges). The KAS does not publicly disclose risk assessments or results. Since 2019 the EU has funded, through the TSI, projects for the development of cooperative compliance in Poland through capacity building; evaluation; and the development of processes, procedures, and communications material ([70]).

The 2025–2028 CRM strategy prioritizes AI and analytics for audits and compliance monitoring. Poland applies AI and data analytics to refine risk detection and segmentation. The KAS uses ARANEUM, a Social Network Analysis (SNA) tool, to model taxpayer connections and identify fraud networks, enhancing high-risk taxpayer segmentation. The Cashless Transaction

[66] Based on Council Regulation (EU) No 904/2010 of 7 October 2010 on administrative cooperation and combating fraud in the field of value added tax (VAT), as subsequently amended, the EU and Member States' national tax authorities cooperate to help ensure the correct application of VAT rules on cross-border transactions.

[67] The data is assessed based on the annual statistics, provided pursuant to Commission Implementing Regulation 79/2012 (Annex IV) and presented to the Standing Committee on Administrative Cooperation (SCAC).

[68] The standardised measure normalises the number of requests per EUR 1 billion of GDP, allowing for comparison relative to the size of the economy. In 2024, Poland sent 3.17 requests per EUR 1 billion of GDP compared to an EU weighted average of 1.60 requests sent per EUR 1 billion of GDP; and received 2.41 requests per EUR 1 billion of GDP compared to an EU weighted average of 1.59 requests received per EUR 1 billion of GDP.

[69] The standardised measure normalises the number of requests per EUR 1 billion of GDP, allowing for comparison relative to the size of the economy. In 2024, Poland reported 74.27 VAT identification numbers allocated to taxable persons not established in the Member State per EUR 1 billion of GDP compared to an EU weighted average of 7.77 VAT identification numbers per EUR 1 billion of GDP; and new means of transport 1.02 requests per EUR 1 billion of GDP compared to an EU weighted average of 0.95 new means of transport per EUR 1 billion of GDP.

[70] https://reforms-investments.ec.europa.eu/technical-support-instrument-0/revenue-administration-and-public-financial-management/extending-uptake-ctcp-belgium-and-poland_en

Analysis (STIR) system analyses cash flows in company accounts to detect suspicious transactions, such as VAT carousel fraud or tax evasion.

Poland's proactive tools encourage compliance without a formal behavioural-insights framework. While payment reminders, user-friendly services and digital platforms reduce compliance costs and prompt timely actions, Poland does not apply publicly documented behavioural insights.

Poland's Central Electronic System of Payment Information (CESOP) data use supports pilot risk analysis. Yet there are quality issues. Despite current data quality challenges (e.g. incomplete records, inconsistencies), Poland is developing a pilot analytical report combining CESOP ([71]) and national databases to detect potential irregularities or discrepancies ([72]).

Poland also uses reports exchanged automatically under the DAC concerning risk of tax avoidance, i.e. DAC3 ([73]), DAC4 ([74]) and DAC6 ([75]), mainly for risk-analysis purposes in the field of corporate income taxation. The Polish tax authorities identified successfully 100% of the taxpayers concerned by DAC3 and entities concerned by DAC4 reports. In practice, DAC3, DAC4 and DAC6 are used for risk-assessment in the field of corporate income taxation (to identify risks related to transfer pricing, base erosion and profit shifting, harmful tax practices, etc) and possible follow-up actions such as tax audits. Moreover, DAC4 is used for economic and statistical analysis. These efforts to deploy a comprehensive strategy regarding DAC data could be further complemented by reporting the matching rate for the identification of taxpayers covered by DAC6 data, which is not yet available. Poland could also make more systematic use of DAC6 reports.

4.4 Audits

Poland's audit system is risk-based and comprehensive. The KAS conducts a wide range of post-filing audits, including desk audits, single-issue audits, limited-scope audits, comprehensive audits, and avoidance/evasion investigations. Audits are tailored based on risk profiling and data analytics, with targeted interventions for high-risk taxpayers. Early warning systems further enhance the detection of potential non-compliance.

Poland's audit processes rely on AI for enforcement optimisation. As part of its above mentioned 2025-2028 strategy, KAS aims to expand AI-driven e-services to automate and optimize administrative enforcement.

[71] The Central Electronic System of Payment Information (CESOP) is an EU-wide system established under Directive (EU) 2020/284 to support the fight against VAT fraud in e-commerce. It requires payment service providers to report cross-border payment data on a quarterly basis to national tax authorities, which then transmit the information to CESOP. The system centralises and analyses this data, enabling Member States to detect undeclared online sales, identify fraudulent traders, and enhance administrative cooperation in combating cross-border VAT fraud.

[72] Findings based on Member States' annual reports (mostly 2025-2026) under Article 12, Regulation (EEC, Euratom) No 1553/89 (VAT own resources collection.

[73] Council Directive (EU) 2015/2376 of 8 December 2015 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation: automatic exchange of information on rulings and advanced pricing arrangements.

[74] Council Directive (EU) 2016/881 of 25 May 2016 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation: automatic exchange of information on country-by-country reports of multinational entities.

[75] Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.: automatic exchange of information on potentially tax-harmful cross-border arrangements.

Poland's audit segmentation targets both large taxpayers and e-commerce traders successfully. Its Large Taxpayer Office (LTO) network is decentralised, with the First Mazovian Tax Office in Warsaw as the primary hub, reportedly generating 38% of total revenue ([76]). The above-mentioned pilot analytical report combining CESOP and national data will support e-commerce control activities, with results shared with local units for operational use ([77]).

Poland is a regular user of the advanced instruments of administrative cooperation. These include multilateral controls (simultaneous controls, joint audits) and present in administrative offices and administrative enquiries (PAOEs) are advanced instruments of cooperation provided for in the DAC and in Regulation 904/2010 to facilitate cooperation on specific cross-border VAT issues. The synergies between participating Member States derived from these coordinated activities usually lead to an increase in the tax assessed and, therefore, contribute to reduce the tax gap. Between 2023 and 2025 Poland has initiated 2 PAOEs, and has participated in 8 multilateral controls (MLC) and 8 PAOE, representing respectively 3.1%, 2.7% and 6.2% of the total of these operations in the EU ([78]). However, Poland has not initiated any MLC during this period.

4.5 Payment and collection

Poland has a strong record in terms of on-time payment ([79]). In 2024, 93.4% of CIT, 97.7% of PIT, and 96.3% of VAT liabilities were paid on time. However, no data are available of the payments done electronically for year 2024 (EU average 94.9). Tax payments by cash are subject to quite permissive restrictions, with a limit of PLN 15 000 (approximately EUR 3 400) for business to business (B2B) payments and PLN 20 000 (around EUR 4 500) for business to consumer (B2C).

Poland applies an integrated approach to VAT liabilities. The National Revenue Administration operate the central POLTAX 2B+ system supporting the entire life cycle of a tax liability on the part of the tax authority — from the moment the liability arises until it is extinguished. High amounts of input VAT overpayment (to be refunded) are verified by the tax office, particularly when this amount is reported by the taxpayer for the first time or significantly differs from the taxpayer's previous settlements. From February 2026, due to the mandatory KSeF system, this verification could be based on structured data.

4.6 Tax debt recovery

Poland has implemented a structured, IT-integrated enforcement framework for an efficient tax recovery. Recovery actions are managed for PIT, CIT and VAT by the same authorities and follow the same procedures and rules.

Tax arrears are on the decline. The closing stock of tax arrears at the end of the year in % of total revenue has shown a noticeable decrease in recent years, except for 2024, the latest year with available data. In 2024, it amounted to 19.3%, below the EU average of 30.7%. There is no

[76] International Survey on Revenue Administration data. https://data.imf.org/en/datasets/ISORA:ISORA_LATEST_DATA_PUB.
[77] Findings based on Member States' annual reports (mostly 2025-2026) under Article 12, Regulation (EEC, Euratom) No 1553/89 (VAT own resources collection).
[78] EU AIAC Statistics -2023-2025.
[79] International Survey on Revenue Administration data. https://data.imf.org/en/datasets/ISORA:ISORA_LATEST_DATA_PUB.

information on the closing stock of collectable arrears as a percentage of the closing stock arears ([80]).

Poland has specific legislation on cooperation between the administrator of insolvency proceedings and tax (recovery) authorities. Thus, allowing tax (recovery) authorities to share information on assets in Poland or abroad that could be used for the recovery of unpaid (tax) claims in the insolvency proceedings ([81]).

As regards the write-off of tax debts, Poland applies strict rules ensuring that debts are only written off when recovery is no longer possible ([82]).

There is no disaggregated information on how long it takes to solve tax disputes before a court. In Poland, it is not standard practice to recover taxes that are under dispute ([83]). The Polish law does, however, allow the tax administration to take precautionary measures before there is an assessment/title, without a prior court order ([84]).

Regarding cross-border recovery assistance within the EU, Poland submits compliant requests to other Member States. Polish recovery requests to other Member States generally comply with requirements ([85]), focusing on well-established claims. Only 12 recovery requests were suspended because of contestations in 2025, while 1 650 requests for recovery were sent to other Member States in the same year ([86]).

Poland makes also good use of information from AEOI, namely DAC1 ([87]) and DAC2 ([88]), for recovery purposes. This has led to substantial increases in the number of recovery requests to other tax administrations leading moreover to valuable recovery results. This is best practice, which could be extended to DAC7 data (on income derived from the use of digital platforms) where appropriate.

[80] ISORA Data – closing stock and collectable arrears.
[81] Poland's replies to questions 34-36 of the 2025 survey on tax recovery.
[82] Poland's replies to question 26-27 of the 2025 survey on tax recovery.
[83] ISORA Data – Tax arrears collection powers and their usage – collect any disputed tax while the dispute case is open and under administrative/judicial review.
[84] Poland's replies to question 16 of the 2025 survey on tax recovery.
[85] Statistics on rejections of requests, reported by Poland as applicant State, relating to recovery assistance in 2025.
[86] Statistics on the suspension of recovery requests, sent by Poland as applicant State, following contestation of the claim, for 2025.
[87] AEOI on income from employment, director's fees, pensions, life insurance products, royalties, ownership immovable properties.
[88] AEOI on financial accounts and assets.