Ministry of Finance
Republic of Poland

National Revenue Administration

Advance Pricing Agreements in Poland

– Statistical Report
of the National Revenue Administration
2006 – 2025

3rd EDITION

JUNE 2026

2006

20 YEARS OF APAs in Poland

2025

Dear Readers,

In 2006, Advance Pricing Agreements were introduced into the Polish legal framework. This signifies twenty years of an instrument that has now become one of the cornerstones of tax certainty in the area of transfer pricing.

Advance Pricing Agreements not only mitigate the risk of potential disputes, but also enhance the predictability of tax settlements and the stability of the business environment. From this perspective, they constitute an essential component of a modern tax administration — one built on transparency, partnership and responsibility.

I view the growing interest in Advance Pricing Agreements as confirmation of the importance of cooperation between the tax administration and business. At the same time, I see it as an expression of taxpayers' trust in the National Revenue Administration. I would like to extend my sincere gratitude for this trust.

I hope that this report, which summarises twenty years of Advance Pricing Agreements in Poland, will serve as a valuable source of knowledge and inspire further use of this instrument, including engagement with the administration at the transaction planning stage.

The National Revenue Administration remains open to dialogue with taxpayers and to the further development of conciliation procedures.

Marcin Łoboda

Secretary of State
Head of the National Revenue Administration

2006

20
YEARS OF
APAs
in Poland

2025

Dear Readers,

The twentieth anniversary of Advance Pricing Agreements in Poland provides a good opportunity to review the role of this instrument and its significance within the tax system.

Over recent years, Advance Pricing Agreements have established their position as a solution that offers the Clients of the National Revenue Administration a high level of tax certainty, particularly in the case of transactions of major importance and a complex nature. They allow for *ex ante* assurance regarding the correctness of the transfer pricing policy applied, while at the same time fostering transparency in relations with the tax authorities.

The dynamic development of this instrument in Poland is the result of the consistent work and commitment of the team responsible for conducting proceedings concerning Advance Pricing Agreements, as well as the growing awareness among taxpayers regarding tax risk management. I would like to take this opportunity to express my appreciation to all those involved in shaping this area and ensuring its effective functioning.

The development of cooperation-based instruments and the strengthening of the transparency and predictability of processes remain important directions of the tax administration's activities.

I encourage you to read this report and to take advantage of the opportunities offered by the Advance Pricing Agreement procedure, including participating in pre-filing meetings that help clarify any doubts associated with submitting an application.

Anna Sobierajska-Sokół

Director of the Department
for Large Business

2006

20 YEARS OF APAs in Poland

2025

Dear Readers,

Twenty years of Advance Pricing Agreements in Poland has been a period of intensive development of this instrument and of building expertise and experience in this area — both on the part of the administration and taxpayers.

The results achieved, reflected in the number of agreements concluded and the quality of the proceedings conducted, are the outcome of the commitment of the employees responsible for managing them, as well as effective cooperation with applicants and their representatives. Dialogue and professionalism constitute key elements of the Advance Pricing Agreement procedure. At this point, I would like to thank everyone involved in this process — both the members of the National Revenue Administration Team and the business representatives who decided to apply for this solution and actively participated in shaping the instrument.

Although the procedure may be time-consuming and involves demanding discussions, two decades of experience confirm that Advance Pricing Agreements are an effective tool for mitigating tax disputes.

I assure you that we remain ready to further support you in developing solutions compliant with applicable regulations and to engage in open and constructive dialogue. I invite you to contact us and to make use of the available forms of cooperation with the tax administration.

Konrad Szpadzik

Deputy Director of the Department
for Large Business
Head of the Transfer Pricing Division

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Part 1.

20 Years of APAs in Poland

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20 Years of Advance Pricing Agreements in Poland

- interview with *Konrad Szpadzik*
Deputy Director of the Department for Large Business at the Ministry of Finance, Head of the Transfer Pricing Division

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From the perspective of the tax administration, how did the institution of Advance Pricing Agreements develop in Poland?

The introduction of Advance Pricing Agreements (APAs) into the Polish legal framework in 2006 represented a significant qualitative change both for the Polish administration and for our taxpayers. At the same time, it was an important step towards building a system of modern cooperation-based tools.

The initial period of operation of APAs was characterised by relatively limited interest in this instrument — fewer than 70 applications were submitted in the first ten years. However, the following decade brought a clear change, reflected in a significant increase in the number of applications filed, to more than 800 in 2016–2025. This dynamic clearly illustrates the scale of the change in taxpayers' approach to this instrument.

Today, APAs are no longer perceived as an exceptional or even elite solution, but increasingly as one of the key tools ensuring tax stability and reducing the risk of disputes in the area of transfer pricing.

What were the greatest challenges in the initial period after the APA regulations entered into force?

The greatest challenge was to develop the practice of applying the new procedure and to establish standards that would ensure the high quality and efficiency of the proceedings conducted. In this respect, the Ministry of Finance strengthened the competences of the APA Team, including by obtaining access to specialist databases and analytical tools used in the area of transfer pricing, and by providing training and workshops to support the development of employees' qualifications.

The challenges also concerned international cooperation. The first bilateral APAs were negotiated by the Polish administration in 2011 — with Switzerland and the United Kingdom. This represented an important step in building experience in relations with foreign tax authorities.

The first years of the APA system also had a specific organisational character.

What did this specific nature involve?

Until approximately 2017, the persons responsible for conducting APA proceedings were also involved in other areas, including the preparation of draft legal acts concerning transfer pricing. Legislative work focused on implementing the OECD TP Guidelines into the Polish legal framework. In particular, it covered the BEPS Project, the introduction of new transfer pricing documentation requirements, and *Country-by-Country Reporting* (CbC). At the initiative of the APA Team, the first simplified CIT-TP and PIT-TP reports were also developed.

International cooperation was another important area of activity. In addition to participating in the work of OECD and European Union working groups, we created our own forums for cooperation and exchange of experience, for example in the form of workshops to which representatives of other tax administrations were invited.

It was therefore a time of intensive work and of gaining experience on many fronts, which — despite limited organisational resources — made it possible to build solid foundations for the APA programme in Poland.

Does the activity of the team currently responsible for Advance Pricing Agreements also cover other areas related to transfer pricing?

I will begin by noting that APA proceedings in 2006–2019 were conducted within a single unit. Subsequently, for more than four years, they were handled by three units, and since mid-2024 they have been conducted by two specialised units operating within the Department for Large Business at the Ministry of Finance.

The scope of activities of the APA Team is not limited solely to conducting proceedings concerning Advance Pricing Agreements. Our employees cooperate with other departments of the Ministry of Finance, including by providing input on draft legal acts concerning transfer pricing. They also participate in work carried out within OECD and European Union fora.

Representatives of the APA Team are also involved in initiatives aimed at cooperation between tax administrations, such as *Tax Inspectors Without Borders* (TIWB), a joint OECD and UNDP programme, TAIEX (*Technical Assistance and Information Exchange*), an EU instrument designed to build institutional capacity worldwide, and the Eastern Partnership. We cooperate bilaterally and regionally, including through the *Intra-European Organisation of Tax Administrations* (IOTA) and the Visegrad Group.

We are also active in international cooperation procedures such as ICAP (*International Compliance Assurance Programme*) and ETACA (*European Trust and Cooperation Approach*). These initiatives constitute a valuable complement to APAs. Taxpayers may use these programmes to obtain a joint risk assessment from several tax administrations and then, in the case of more complex or disputed issues, move on to the Advance Pricing Agreement procedure. This creates a coherent system of tools that makes it possible to select the appropriate form of cooperation depending on the nature and complexity of a given case.

Knowledge sharing is also an important element of our activity. Employees of the APA Team have conducted training for many years, including within the National School of Revenue Administration. In 2021, the APA Team initiated the development of a knowledge management system in the area of transfer pricing within the National Revenue Administration. In 2026, we completed another initiative that improved and updated these mechanisms. This strengthens institutional organisational memory and enables faster adaptation to changing transfer pricing regulations and market practices.

Can any turning points be identified in the development of APAs in Poland?

Several such moments can be identified. The first was, of course, making the possibility of concluding Advance Pricing Agreements available to Polish taxpayers. In the period preceding the introduction of APAs, numerous views were expressed in legal and tax commentary pointing to the attractiveness of agreements as the only tax planning tool allowing taxpayers to agree in advance with the tax authorities on acceptable rules for settlements with related entities.

Another important stage was the reorganisation of the tax administration in 2017 and the transfer of competence for issuing APAs to the Head of the National Revenue Administration.

The entry into force, at the end of 2019, of the *Act on the Resolution*

MILESTONES IN THE DEVELOPMENT OF APAs IN POLAND

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2006
introduction of APA regulations / Section IIa of the Tax Ordinance /

2006
first APA concluded

2011
first bilateral APAs concluded

2017
transfer of competence for APAs to the Head of the NRA

2018–2021
Article 15e of the CIT Act in force

>>>>

of Double Taxation Disputes and the Conclusion of Advance Pricing Agreements — the so-called DRM Act — was also of major importance, as it systematised and further developed the regulations concerning APAs.

From a practical perspective, the period during which Article 15e of the CIT Act was in force was also demanding for the tax administration. At that time, several hundred applications were submitted to the Head of the National Revenue Administration, motivated by the possibility of excluding transactions covered by an APA from the limit on the amount of tax-deductible costs. This regulation was in force in 2018–2021.

More recently, APA proceedings have had to face dynamic changes in the economic environment, including the effects of the COVID-19 pandemic and Russia's aggression against Ukraine. In such situations, a particularly thorough analysis of specific business circumstances and intensive dialogue with taxpayers are required.

What impact did the introduction of the aforementioned Article 15e of the CIT Act have on Advance Pricing Agreements?

The impact of this regulation was very clear. Over four years, more than 450 applications for an APA were submitted in connection with this provision. The introduction of limitations on recognising as tax-deductible costs certain expenses incurred for the benefit of related entities therefore resulted in a sharp increase in taxpayers' interest in this tool.

In 2019–2025, more than 350 Advance Pricing Agreements related to Article 15e of the CIT Act were issued, representing over 70% of all APAs concluded during that period. Detailed data on the structure of these decisions are presented later in this Report.

Has interest in APAs continued after the repeal of this regulation?

Indeed, the main reason for the significant interest in the APA instrument in recent years was the intention to exclude the cost deductibility limitation mechanism resulting from the repealed Article 15e of the CIT Act. At the same time, however, the use of Advance Pricing Agreements in the area of traditional protection and preferences under transfer pricing regulations was also increasing.

Taxpayers are becoming increasingly aware of the benefits offered by APAs, including in the context of legislative measures aimed at tightening the tax system and the increased activity and effectiveness of audit authorities in relation to settlements between related entities. The growing importance of issues related to intra-group transactions is not, however, specific to Poland. It reflects a general direction of activity pursued by individual tax administrations, as well as by the European Commission and the OECD.

Interest in APAs therefore remains at a high level. Taxpayers use this procedure not only in response to specific regulations, but above all as a tool ensuring the stability of tax settlements and minimising the risk of disputes and double taxation.

In 2006–2015, 68 applications for APAs were submitted. In the following ten years, i.e., by the end of 2025, more than 350 applications not motivated by the cost limitation under Article 15e of the CIT Act were filed.

Taking into account the entire twenty-year period during which APAs have been available in Poland, a clear increase in interest in Advance Pricing Agreements can therefore be observed, irrespective of the application of the aforementioned provision.

The repeal of Article 15e of the CIT Act made it possible to return to the use of APAs in a manner consistent with the fundamental purpose of this procedure.

Can it therefore be said that APAs have evolved from an *ad hoc* instrument into a permanent element of companies' tax practice?

Over the past twenty years, taxpayers' approach to Advance Pricing Agreements has changed significantly. Initially, APAs were used

2019
entry into force of the DRM Act / Section III /

2021
112 completed proceedings, including 101 APAs issued

2022
114 completed proceedings, including 99 APAs issued

2023
138 completed proceedings, including 110 APAs issued

2024
156 completed proceedings, including 118 APAs issued

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KEY DIRECTIONS FOR THE DEVELOPMENT OF APAs IN POLAND

- streamlining of the procedure and deepening of dialogue with taxpayers
- strengthening of the Team's analytical and economic competences
- use of modern tools and online meetings
- shortening of application processing times

mainly in exceptional cases and treated as a solution reserved for particularly complex transactions. Over time, however, more and more enterprises began to perceive APAs as a valuable tool increasing the predictability of tax settlements and reducing the risk of disputes with the administration.

Today, many corporate groups treat Advance Pricing Agreements as a permanent element of a broader tax risk management strategy. Taxpayers appreciate the importance of the protection obtained and the less confrontational nature of the procedure compared with standard audits. The significance of agreements as a safeguarding instrument is also evidenced by the number of applications for APA renewal — for example, 7 such applications were submitted in 2022, and as many as 19 in 2025.

What is the importance of cooperation between taxpayers and the tax administration within the APA procedure?

Cooperation between taxpayers and the tax administration is one of the foundations of the effective functioning of the Advance Pricing Agreement procedure. The nature of this process requires openness, transparency and active engagement of both parties at every stage of the proceedings.

The experience of recent years shows that reliable and fair dialogue conducted within the APA procedure allows for a better understanding of business circumstances and the development of solutions appropriate to the specific nature of a given activity. This directly translates into higher quality and greater efficiency of the proceedings conducted.

In this context, Advance Pricing Agreements form part of a modern model of tax administration based on cooperation, rather than solely on audit-oriented activities.

What is specific about bilateral and multilateral APA proceedings?

In the case of bilateral and multilateral agreements, cooperation between the competent authorities of the respective jurisdictions is of key importance, in addition to dialogue with the taxpayer. This requires additional analyses and, in particular, negotiations aimed at developing a position on the method of determining the transfer price that is acceptable to all parties.

Although this procedure is more complex and more time-consuming, its outcome is the elimination of the risk of double taxation.

Over the years, as an administration, we have gained increasing experience in conducting this type of proceedings and a better understanding of the approaches taken by individual jurisdictions to transfer pricing matters. At the same time, we have sought to ensure that relations with foreign authorities are consistently built on professionalism and high substantive quality. As a result, the Polish tax administration has become a recognised and reliable partner.

It is also worth noting that, for several years now, the importance of procedures involving other tax administrations has been clearly increasing. In the first ten years of APAs in Poland, 20 applications for bilateral or multilateral agreements were submitted. In the following ten years, taxpayers submitted more than 120 such applications. Taxpayers' interest is therefore growing in a solution which, in addition to providing protection against challenges to the correctness of the applied transfer prices, also eliminates the aforementioned risk of double taxation.

Can it be predicted how the APA programme in Poland will develop in the coming years?

One of the key directions will be the further streamlining of the APA procedure and the deepening of dialogue with taxpayers. Strengthening the analytical and economic competences of the Team also remains important in view of the growing complexity of business models.

The Polish tax administration is prepared to handle new applications, while at the same time seeking to shorten the time needed to process them. This is supported, among other things, by the completion of proceedings related to Article 15e of the CIT Act, increasingly better access to advanced analytical tools, the use of online meetings and the further professionalisation of the Team.

In the first half of 2026, the Head of the National Revenue Administration

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issued more than 30 Advance Pricing Agreements.

A further increase in the importance of international cooperation between tax administrations can also be expected, resulting, among other things, from the growing number of bilateral proceedings.

At the same time, activities involving the exchange of experience and good practices are intensifying, both at national and international level, including through the organisation of joint workshops and expert meetings. Such initiatives foster the harmonisation of approaches and improve the quality of analyses and negotiations conducted in the area of transfer pricing.

Looking back on 20 years of APAs in Poland, what do you consider to be the most important achievements of this programme?

One of the most important achievements is the clear increase in taxpayers' trust in this instrument, which is reflected not only in the growing number of applications submitted, but also in the change in how it is perceived. APAs are no longer a solution used only incidentally, but have come to be treated as a rational and predictable element of the approach to settlements between related entities.

Over the years, there has also been a visible change in the nature of relations between taxpayers and the tax administration. The APA procedure fosters dialogue based on transparency and the exchange of information, which in practice makes it possible, among other things, to better take into account the specific nature of business activities and market conditions.

Another important achievement is the creation within the administration of a team of specialists with unique competences in economic analyses, transfer pricing and international cooperation. Conducting APA proceedings requires not only a good knowledge of tax regulations, but also an understanding of the business models of multinational corporate groups and the ability to engage in dialogue with taxpayers and the administrations of other countries.

Maintaining and further developing the Team is one of the key challenges related to the functioning of the APA programme in Poland, especially given the high demand for transfer pricing experts on the labour market.

The APA programme is therefore not only about procedures, but above all about people. What message guides you as this instrument enters its next decade of operation?

Despite numerous challenges, we have managed to create solid foundations for the functioning of APAs in Poland.

The Advance Pricing Agreement programme has reached a level of maturity that allows for its further development based on the experience gathered and the standards developed. Twenty years of this instrument confirm its permanent place in the tax system and its ability to adapt to changing economic and regulatory conditions.

APAs remain a solution appropriate for a broad spectrum of situations arising in business practice. At the same time, the expertise and experience of the team conducting the proceedings ensure the professional and reliable handling of cases. Practice shows that starting dialogue with the tax administration sufficiently early also helps proceedings to be finalised more efficiently.

It should also be emphasised that the development of this institution is the result of the work of many people — both current employees of the Ministry of Finance and those who, in previous years, helped shape this area in managerial and expert roles. All these individuals deserve recognition for their contribution to building the competences of the Polish tax administration and improving the APA programme in Poland.

Konrad Szpadzik
Deputy Director of the Department for Large Business
Head of the Transfer Pricing Division

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Transfer Pricing Team

of the Department for Large Business at the Ministry of Finance

Responsibility for implementing tax policy in the area of transfer pricing and for conducting proceedings concerning Advance Pricing Agreements (APAs), as well as individual proceedings related to the elimination of double taxation in cases concerning the profits of related entities (MAP), lies with a team currently comprising 27 employees (as of June 2026), organised into three units (two APA units and one MAP unit) operating within the Department for Large Business (DLB) at the Ministry of Finance.[1]

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The Transfer Pricing Team at the DLB is also involved, among other things, in:

- international cooperation in the area of transfer pricing — including participation in the work of OECD committees and working groups, European Commission working groups, IOTA meetings, the Eastern Partnership programme, meetings of Competent Authorities from Visegrad Group countries and the extended V6 Group;
- the implementation of international programmes, including participation in:
  - *OECD International Compliance Assurance Programme (ICAP)* - a voluntary, cooperation-based risk assessment programme involving multinational enterprises (MNEs) and tax administrations. ICAP was designed as a coordinated approach under which MNEs willing to engage actively, openly and with full transparency can obtain increased tax certainty with respect to certain of their low-risk activities and transactions;
  - *European Trust and Cooperation Approach (ETACA)* - a programme analogous to ICAP, involving cooperation between EU tax administrations and MNEs with registered offices and headquarters in the European Union, prepared by the European Commission as part of its work on simplifications for large businesses aimed at preventing cross-border tax disputes in relation to low-tax-risk transactions;

[1] *APA proceedings were conducted by one unit until the end of 2019 and by three units from 2020 to mid-2024. Responsibility for MAP procedures rested with one unit throughout the entire period.*

- *Tax Inspectors Without Borders (TIWB)* - a joint OECD and United Nations Development Programme (UNDP) initiative aimed at supporting developing countries in building tax capacity and improving tax administrations worldwide. In September 2023, an assistance programme for the Kingdom of Bhutan was officially launched, under which experts from the Team share knowledge, skills and best practices, and assist with risk analysis, case selection and the conduct of tax audits in the area of international tax law and transfer pricing;
- *Technical Assistance and Information Exchange (TAIEX)* - a European Commission initiative under which experts from EU Member States support the development of institutional capacity of partner administrations. The Team's involvement includes the comprehensive delivery of study visits, expert missions and specialised online workshops. These activities focus on the transfer of advanced know-how in the area of transfer pricing analysis methodology and the implementation of best practices in tax audit processes, contributing to the tightening of tax systems and the harmonisation of audit standards internationally.

The Team's employees also cooperate with non-governmental organisations and academic communities, and actively support regional units of the National Revenue Administration — customs and tax offices, tax offices and tax administration chambers — including by providing expert assistance in conducting risk analysis, as well as by organising training sessions, workshops and meetings. The Team initiated the development of a knowledge management system in the area of transfer pricing within the tax administration; this system is periodically updated.

The Team also performs tasks related to the Cooperative Compliance Programme, including handling matters concerning the issuance of transfer pricing tax agreements, as well as matters related to the conclusion of investment agreements and activities within the Transfer Pricing Forum.

The Transfer Pricing Team at the DLB also supports activities aimed at improving the existing legal framework in the area of transfer pricing, including by reviewing and proposing legislative changes.

✓ IMPLEMENTATION OF TRANSFER PRICING POLICY

✓ CONDUCTING APA AND MAP PROCEDURES

✓ INTERNATIONAL COOPERATION

✓ IMPLEMENTATION OF PROGRAMMES INCLUDING ICAP, ETACA, TIWB AND TAIEX

✓ EXPERT SUPPORT FOR LOCAL NRA AUTHORITIES

✓ ORGANISATION OF TRAINING SESSIONS, WORKSHOPS AND SEMINARS

✓ ACTING AS NRA OBSERVERS WITHIN THE TRANSFER PRICING FORUM

✓ INVOLVEMENT IN THE COOPERATIVE COMPLIANCE PROGRAMME AND IN THE PROCEDURE FOR ISSUING INVESTMENT AGREEMENTS

✓ CONDUCTING THE PROCEDURE FOR ISSUING TRANSFER PRICING TAX AGREEMENTS

✓ CONTRIBUTION TO THE DEVELOPMENT OF TRANSFER PRICING REGULATIONS AND INSTITUTIONS IN POLAND

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RESPONSE *(ex post)*

ADVANCE PRICING AGREEMENT (APA)

- high level of tax certainty
- formalised procedure
- protection of specific controlled transactions in a domestic or international context
- additional TP preferences

TRANSFER PRICING AUDIT

- verification of settlements by the tax authority — risk of dispute
- tax and legal consequences in the event of non-compliance with the arm's length principle

VERIFICATION OF APA IMPLEMENTATION

PREVENTION AND RESOLUTION OF TRANSFER PRICING DISPUTES

MUTUAL AGREEMENT PROCEDURE (MAP)

- elimination of double taxation
- resolution of disputes between tax jurisdictions

@ ICAP / ETACA @

- moderate level of tax certainty
- general risk assessment
- international character (OECD / EU)
- conclusion of an APA may be suggested

PREVENTION *(ex ante)*

Mutual Agreement Procedure

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The Mutual Agreement Procedure (MAP) is a treaty-based dispute resolution mechanism enabling tax authorities from two or more jurisdictions to resolve disputes concerning double taxation resulting from the incorrect application of treaties.

The purpose of MAP is to eliminate double taxation — both legal and economic — arising from the interpretation and application of international treaties.

In the case of related entities, double taxation may be eliminated by implementing the outcome reached under MAP or through a unilateral adjustment.[1]

The Mutual Agreement Procedure (MAP):

- is not subject to a fee;
- may cover more than one tax year;
- may be multilateral in nature.

The MAP is initiated upon an application submitted to the *Competent Authority*. In Poland, this function is performed by the Minister of Finance.

The application should indicate one of the dispute resolution procedures under which the MAP is to be conducted, i.e., a double tax treaty, the Arbitration Convention or the DRM Directive.

[1] A unilateral adjustment is a procedure separate from MAP. Where the conditions for making a unilateral adjustment are not met, the case may be resolved through MAP.

Rules for submitting an application

An application for MAP to the Minister of Finance is submitted in writing, either in paper or electronic form, as a rule within three years from the date on which the domestic related entity or its related entity was first notified of actions taken by tax authorities which result or may result in double taxation. The relevant treaty may provide for a different deadline.

The application may be submitted by an authorised representative. Submissions, including MAP applications, may be filed in English.

Relationship with other procedures

A MAP application may be submitted independently of domestic remedies. However, a final court judgment may affect the scope and outcome of the procedure, as the position resulting from such judgment is binding on the Minister of Finance within MAP.

The submission of a MAP application does not affect the possibility of initiating an audit or tax proceedings within the scope covered by the application, and does not preclude the submission of an APA application[2].

Role of the taxpayer and completion of the procedure

MAP is conducted between the *Competent Authorities* of the jurisdictions concerned. The taxpayer is not a party to the arrangements between the administrations, but its role remains important, particularly in establishing the facts and circumstances of the case.

The procedure may result in an agreement between the *Competent Authorities* of the jurisdictions concerned or, in certain cases, in a unilateral resolution by the Minister of Finance.

The Minister of Finance promptly notifies the taxpayer of the conclusion and outcome of the agreement, which is implemented subject to:

- the domestic related entity submitting written consent to the implementation of the agreement,
- the domestic related entity withdrawing or waiving the remedies available under domestic law.

[2] *If the submission of an APA application is permitted under other applicable regulations.*

MAP - SIMPLIFIED DIAGRAM

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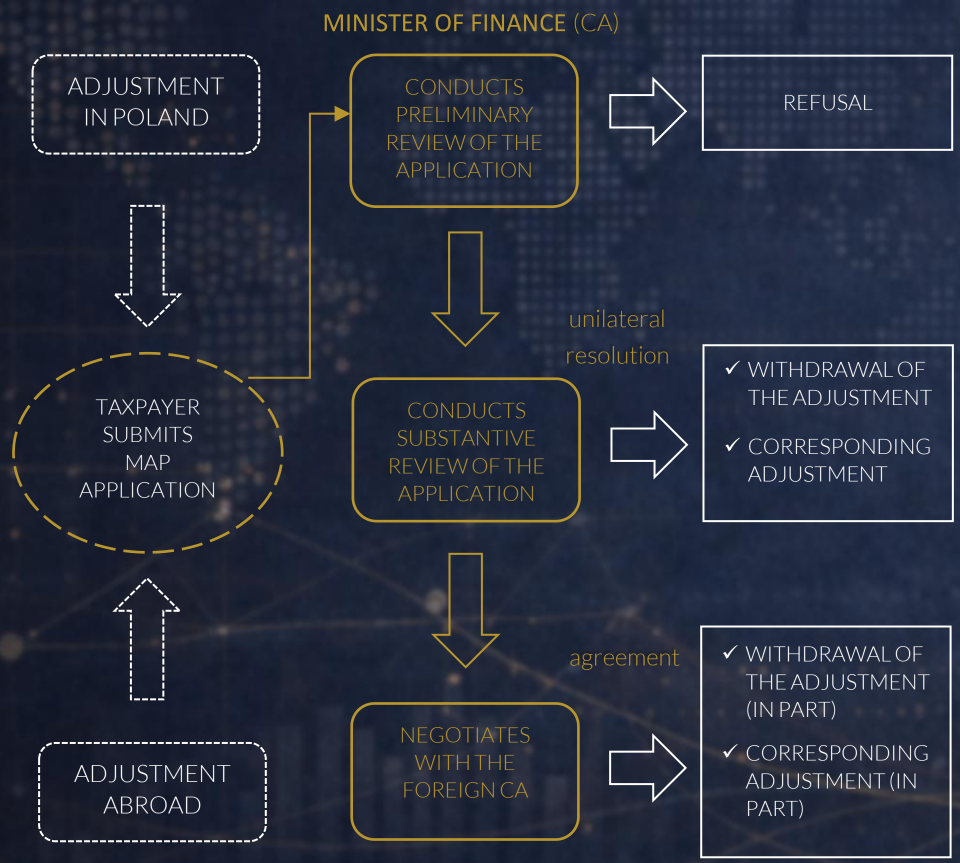
Unilateral stage – the CA to which the application was submitted:
- » submission of the MAP application by the taxpayer
- » is the application admissible?
- » is the application justified?
- » analysis of the facts: unilateral resolution or referral to the bilateral stage

Bilateral stage – both CAs:
- » preparation of positions in the case, discussion and development of an agreement
- » implementation of the outcome of the agreement



The implementation of the agreement may also be subject to the acceptance of the *foreign taxpayer*, as provided for under the domestic laws of the respective jurisdictions.

An agreement reached under MAP procedures conducted on the basis of the Arbitration Convention and the DRM Directive is implemented irrespective of limitation periods, while an agreement reached under MAP procedures conducted on the basis of double tax treaties is implemented irrespective of limitation periods only if the relevant treaty provides for such a possibility.[3]

The course of the procedure and the formal requirements for the application are set out in the *Act on the Resolution of Double Taxation Disputes and the Conclusion of Advance Pricing Agreements*, i.e. the DRM Act (Section II, Chapter 2 - DRM Directive, Chapter 3 - Arbitration Convention, Chapter 4 - double tax treaties).

Detailed information on MAP in transfer pricing cases is available at podatki.gov.pl under the Mutual Agreement Procedure (MAP) section.

MAP statistics are available on the OECD website and the European Commission website.

[3] *The limitation period for a tax liability is suspended where a mutual agreement procedure is initiated, if the relevant double tax treaty does not provide for the possibility of implementing the agreement reached irrespective of limitation periods. The limitation period is suspended from the date on which MAP is initiated, but for no longer than three years. The limitation period may be suspended more than once, provided that the total period of suspension may not exceed three years.*

MAP - STATISTICS

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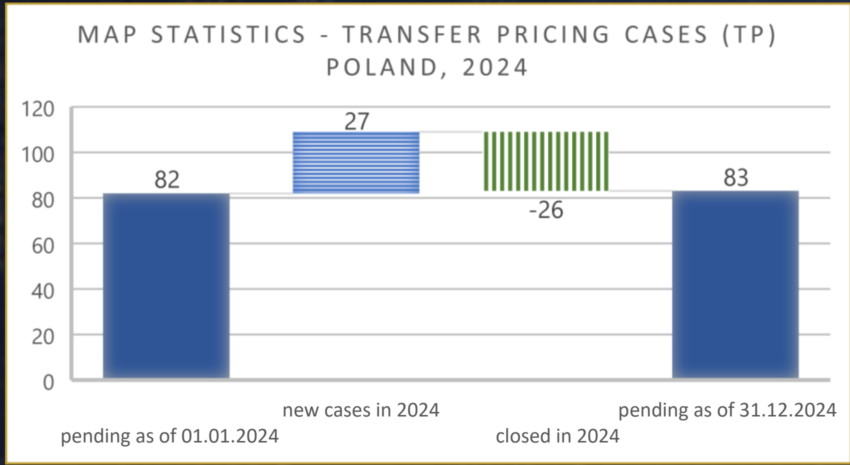

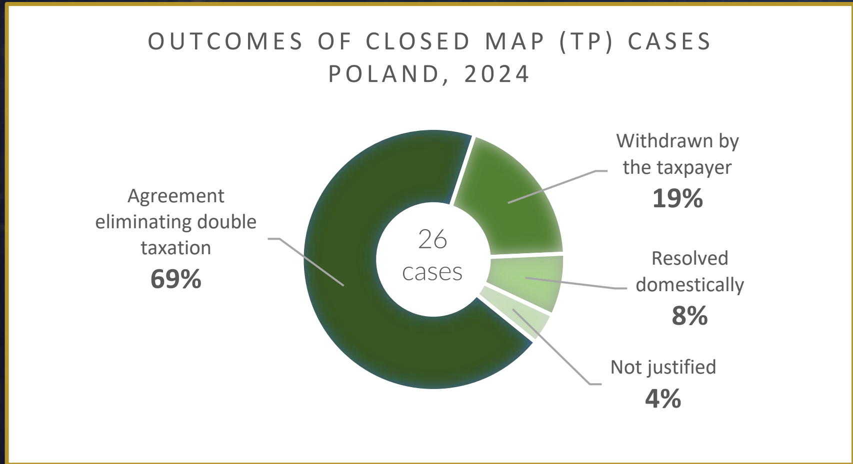

Prepared on the basis of: *Mutual Agreement Procedure Statistics per jurisdiction. Poland 2006-2015 (pre-MAP Statistics Reporting Framework) and 2016-2024 (post-MAP Statistics Reporting Framework). APA Statistics 2023-2024. OECD*

Advance Pricing Agreements

- legal basis for the procedure applicable in Poland

Regulations enabling the conclusion of APAs with the Polish tax authority entered into force on 1 January 2006[1] and, until autumn 2019, were included in Section IIa of the Tax Ordinance.

While preserving the core structure of this instrument, measures were taken over the years to increase its accessibility.

Amendments resulting from existing practice and the effects of international cooperation, especially the work of the OECD and the JTPF, were intended to remove interpretative uncertainties, increase the transparency of the regulations and, consequently, improve the efficiency of the procedure.

Significant changes were introduced, in particular, as of 1 January 2016, through an amendment[2] designed to make the procedure applicable in Poland more taxpayer-friendly, while increasing the transparency and efficiency of the process of concluding APAs. The amendment was also intended, among other things, to align the regulations with the provisions of income tax acts by harmonising the terminology used in rules concerning related entities.

As of 1 March 2017, the competences of the Minister of Finance, previously the authority competent for APA matters, were taken over by the Head of the National Revenue Administration (Head of the NRA).[3]

On 29 November 2019, the *Act on the Resolution of Double Taxation Disputes and the Conclusion of Advance Pricing Agreements* (the DRM Act)[4] entered into force, providing, among other things, for the transfer of APA regulations previously included in the Tax Ordinance to a separate legal act.

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[1] *Act of 30 June 2005 amending the Tax Ordinance Act and certain other acts (Journal of Laws of 2005 No. 143, item 1199, as amended).*

[2] *Act of 10 September 2015 amending the Tax Ordinance Act and certain other acts (Journal of Laws of 2015, item 1649, as amended).*

[3] *Act of 16 November 2016 - Provisions introducing the Act on the National Revenue Administration (Journal of Laws of 2016, item 1948, as amended).*

[4] *Act of 16 October 2019 on the Resolution of Double Taxation Disputes and the Conclusion of Advance Pricing Agreements (Journal of Laws of 2023, item 948).*

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The concept of issuing APAs did not, however, change fundamentally, and the modifications introduced were intended to further streamline the procedure, including the possibility for a foreign investor to submit an application, the publication of aggregate information on APA outcomes, and the adjustment of the scope of information disclosed in the APA implementation report to the taxpayer's individual situation.

APA proceedings

In the APA procedure, where it is finalised by the conclusion of an agreement,[5] the following stages may generally be distinguished:

- submission of an APA application by an eligible entity and payment of the fee;
- formal verification of the application and, where necessary, a request to remedy deficiencies, as well as verification of the homogeneous nature of the controlled transaction and its value, and possible determination of the amount of an additional fee;
- substantive verification of the application and explanatory activities, including dialogue between the taxpayer and the Head of the NRA;
- in the case of bilateral and multilateral APAs - negotiations with the competent foreign authorities and conclusion of an agreement with them;
- issuance of a decision by the Head of the NRA and verification of the implementation of the agreement.

Entities interested in concluding an APA may, before submitting an application, request the Head of the NRA to clarify - during a **pre-filing meeting** organised by the Transfer Pricing Team at the Department for Large Business - doubts concerning the conclusion of such an agreement, for example as regards the scope of information required in an individual case, the procedure or the expected timeframe for its issuance.

This is an informal procedure and is free of any charges. Information on how to request the organisation of a meeting, as well as on the materials to be submitted before and during the meeting, is available at *podatki.gov.pl*[6], the website maintained by the Ministry of Finance.

- ### *Application*

In accordance with the DRM Act, an APA may be issued upon an application submitted by:

- a related entity located, or having its place of residence, registered office or management, in the territory of the Republic

The APA institution is governed by Section III of the DRM Act. In matters not regulated in that Section, the provisions of Section IV of the Tax Ordinance apply accordingly (Article 82 of the DRM Act).

In addition, the legal basis for conducting bilateral and multilateral APAs is provided by the provisions of the relevant double tax treaties governing the Mutual Agreement Procedure, corresponding to Article 25 of the OECD Model Tax Convention on Income and on Capital.

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[5] *Not every APA proceeding must be finalised by the conclusion of an agreement. In the course of the proceedings, the Head of the NRA may, among other things, issue the notifications referred to in Article 88 or Article 93 of the DRM Act.*

[6] *https://podatki.gov.pl/ceny-transferowe Advance Pricing Agreements (APA) tab.*

of Poland, in respect of a controlled transaction in which that domestic related entity participates (Article 83(1) in conjunction with Article 2(2));

- a foreign investor planning an investment in Poland by establishing a subsidiary that will conduct business activity in the territory of the Republic of Poland — in such a case, the application concerns a future controlled transaction to be concluded between the applicant and the newly established domestic related entity for which the APA is issued (Article 84).

An APA is not issued (Article 85 of the DRM Act) in respect of controlled transactions:

- completed before the date of submission of the application;
- commenced before the date of submission of the application, but which, on that date, are covered by tax proceedings, a tax audit, a customs and tax audit or proceedings before an administrative court for any of the applicant's two most recent tax years preceding the tax year in which the application was submitted;
- covered by an application for the issuance of an investment agreement or by a concluded investment agreement referred to in Article 20zs § 1 of the Tax Ordinance.

The APA application, in addition to meeting the requirements specified for petitions (Article 168 of the Tax Ordinance), must include the information indicated in Article 90 of the DRM Act, such as:

– information concerning the applicant and the other related entities participating in the controlled transaction;

– information concerning the controlled transaction covered by the application;

– the requested APA validity period;

– indication of the type of APA, i.e., unilateral, bilateral or multilateral, and — in the case of an application for a bilateral or multilateral APA — information on the submission of an application by the foreign related entities to the competent foreign authority.

A form facilitating verification of the application's compliance with the requirements imposed by the DRM Act and the Tax Ordinance is available at *podatki.gov.pl*[7], the website maintained by the Ministry of Finance.

The application is subject to a fee depending on the type of APA (see table).

[7] https://podatki.gov.pl/ceny-transferowe *Advance Pricing Agreements (APA) tab.*

STAGES OF PROCEEDINGS COMPLETED WITH THE ISSUANCE OF AN APA*:

[pre-filing meeting]

I.
Submission of the application to the Head of the NRA (payment of the fee)

II.
Formal verification of the application
Verification of the homogeneity of the transaction

III.
Substantive verification
Explanatory activities
DIALOGUE

IV.
Negotiations with competent foreign authorities (bilateral and multilateral APAs)

V.
Issuance of the decision by the Head of the NRA

VI.
Monitoring of APA implementation

* Not every proceeding for the issuance of an APA ends with the conclusion of an agreement.

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Until the APA is issued, the applicant may amend the application with respect to the transfer pricing verification method, comparability analysis, transfer pricing calculation method, critical assumptions and the requested APA validity period (Article 92 of the DRM Act).

During the proceedings, if there are doubts regarding the information presented in the application or the content of the documents attached to it, the Head of the NRA requests clarification, the provision of additional information or the submission of additional documents. The Head of the NRA may also organise a conciliation meeting (Article 91 of the DRM Act).

The proceedings aimed at issuing an APA therefore require close cooperation between the authority and the applicant. Before a decision is formulated, the taxpayer and the authority engage in dialogue aimed at finding a solution acceptable to both the applicant and the Head of the NRA.

- ***Decision of the Head of the NRA***

An Advance Pricing Agreement specifies in particular (Article 83(2) of the DRM Act):

1. the controlled transaction covered by the APA and the related entities participating in it;
2. the functional profile of the related entities participating in the controlled transaction, including in particular the functions performed, risks assumed and assets involved;
3. the transfer pricing verification method;
4. the method of calculating the transfer price;
5. the critical assumptions on the basis of which it was accepted that the method referred to in point 3 accurately reflects the transfer price;
6. the scope of individual information to be included in the APA implementation report.

An APA may be issued for a period of five tax years.

An APA may be renewed for subsequent periods, not exceeding five tax years,[8] provided that the elements indicated in points 1-5 above have not changed significantly.

An application for renewal, additionally containing a description of any changes to the elements of the agreement, may be submitted no earlier than 12 months before the expiry of the APA validity period and no later than 6 months after the expiry of that period.

[8] *The starting date of the validity of the renewed agreement is the day following the day on which the validity period of the APA being renewed expired.*

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An APA may cover the period from the beginning of the applicant's tax year in which the application was submitted, but its validity period may not exceed five tax years and expires at the end of the applicant's tax year.

An APA may be renewed for subsequent periods not exceeding five tax years.
The validity of the renewed agreement starts on the day following the expiry of the APA being renewed.

The APA procedure ensures appropriate protection of sensitive data — access to information is limited to the employee handling the case, that employee's superior and the Head of the NRA.

Data concerning entities with which agreements have been concluded, as well as entities applying for APAs, are not made public. The exceptions are statistical data and aggregate information published pursuant to the provisions of the DRM Act.

Verification of APA implementation and reporting obligations

The implementation of the concluded agreement is monitored.

Firstly, taxpayers to whom the Head of the NRA has issued an APA are subject to **reporting obligations**, i.e. the obligation to submit to the Head of the NRA an APA implementation report for each tax year covered by the APA, by the deadline applicable for filing the annual tax return and using the prescribed template[9], through interactive forms: APA-C for legal persons and APA-P for natural persons.

Secondly, the Head of the NRA verifies the implementation of the agreement through **checking activities** and, in certain situations, through a **tax audit** (Chapter 3 of Section **III** of the DRM Act). If the APA is not applied during its validity period, the Head of the NRA declares the agreement expired ex officio by way of a decision producing legal effects from the beginning of the period covered by the APA (Article 105 of the DRM Act)**.**

In the event of a change in economic relations resulting in a material change to the elements of the agreement, the APA may be amended or revoked by the Head of the NRA before the expiry of its agreed validity period. The amendment or revocation of an APA takes place upon a party's request or ex officio. In the decision amending or revoking the APA, the Head of the NRA indicates the date from which the agreement applies as amended, or the date from which the APA is revoked, taking into account the moment when the change in economic relations referred to above occurred (Article 106 of the DRM Act).

The protection resulting from an APA is achieved only if the taxpayer complies with the arrangements made with the Head of the NRA, who has appropriate tools to verify the taxpayer's conduct.

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[9] The report template was specified in the regulations of the Minister of Finance of 23 December 2019 on the template of the report on the implementation of an advance pricing agreement for corporate income tax purposes (Journal of Laws of 2019, item 2502) and of 23 December 2019 on the template of the report on the implementation of an advance pricing agreement for personal income tax purposes (Journal of Laws of 2019, item 2537).

Types of Advance Pricing Agreements

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<table>
<tr><th></th><th>Unilateral
APA</th><th>Bilateral
APA</th><th>Multilateral
APA</th></tr>
<tr><td>Legal Basis</td><td>Article 86 of the DRM Act</td><td colspan="2">Article 87 of the DRM Act and the provisions of the relevant double tax treaties governing the Mutual Agreement Procedure, corresponding to Article 25 of the OECD Model Tax Convention</td></tr>
<tr><td>Key Aspects</td><td>– Reduces risk in relation to transactions between domestic entities or between domestic and foreign entities when the domestic related entity has not submitted an application for an agreement with the foreign CA
– Does not guarantee the avoidance of double taxation in transactions with foreign related entities</td><td>– Limits risk in relation to transactions between domestic and foreign entities
– Eliminates the risk of double taxation</td><td>– Limits risk in relation to transactions between related entities from three or more jurisdictions
– Eliminates the risk of double taxation</td></tr>
<tr><td>Instructional Timeframe for Completion of Proceedings
(Article 97 of the DRM Act)</td><td>Without undue delay but no later than 6 months from the date of initiation of proceedings</td><td>Without undue delay but no later than 12 months from the date of initiation of proceedings</td><td>Without undue delay but no later than 18 months from the date of initiation of proceedings</td></tr>
<tr><td rowspan="3">Application Fee
(Article 98 of the DRM Act)</td><td colspan="3">1% of the value of the controlled transaction subject to the APA, with:</td></tr>
<tr><td>– No less than PLN 5,000 and no more than PLN 50,000 in the case of domestic unilateral APAs
– No less than PLN 20,000 and no more than PLN 100,000 in the case of foreign unilateral APAs</td><td colspan="2">No less than PLN 50,000 and no more than PLN 200,000</td></tr>
<tr><td colspan="3">❖ <u>The fee for an APA renewal application is equal to half of the fee for an APA application (determined in the manner described above);</u>
❖ The value of the controlled transaction is determined for the period covered by the APA application;
❖ To determine the value of the controlled transaction, the provisions of Article 23x(1) of the PIT Act or Article 11l(1) of the CIT Act are applied accordingly;
❖ If a single APA application includes separate controlled transactions that constitute homogeneous transactions, the values of these transactions are summed for the purpose of determining the fee;
❖ If, during the proceedings, the Head of the NRA finds that:
– the value of the controlled transaction subject to the APA has been understated in the application
– the application includes controlled transactions that are separate homogeneous transactions
the authority determines the amount of the supplementary fee, calculated in accordance with Article 98(2)–(6) of the DRM Act (Article 99).</td></tr>
</table>

Verification of the Implementation of an Advance Pricing Agreement

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Checking activities – legal basis and scope

The legal basis for conducting checking activities in the area of APA implementation is Article 103 of the DRM Act.

In addition, the provisions of Section V of the Tax Ordinance, regulating the general rules for checking activities, apply accordingly.

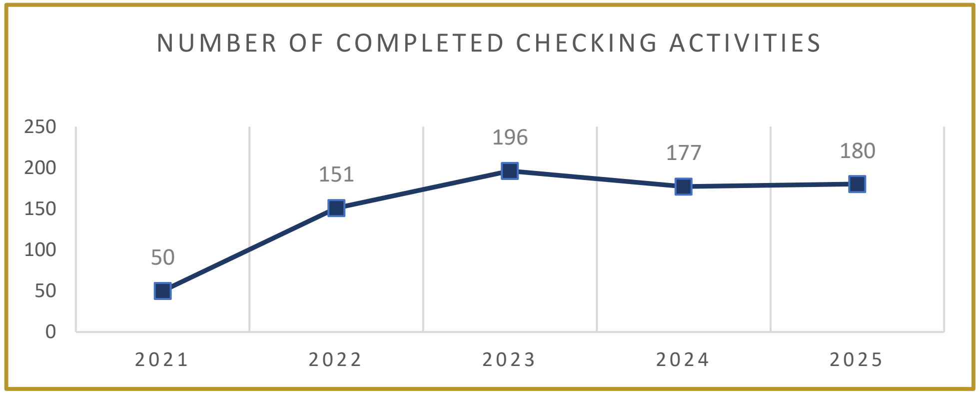
Checking activities perform an important verification function – their purpose is to confirm that the taxpayer implements the terms specified in the APA in accordance with the adopted assumptions.

The scope of checking activities includes, in particular:

- analysis of APA implementation reports (APA-C and APA-P forms);
- assessment of the consistency of the actual transaction terms with the content of the agreement;
- verification of whether there has been any change in material circumstances affecting the validity of the APA.

In the course of checking activities, the Head of the NRA is authorised to request explanations and documents confirming the correctness of the data reported in the APA-C or APA-P forms.

Statistics 2021-2025



VERIFICATION OF APA IMPLEMENTATION IS CARRIED OUT THROUGH:

- checking activities (Article 103 of the DRM Act)
- tax audit (Article 104 of the DRM Act)

In matters not regulated by the DRM Act, the provisions of the Tax Ordinance apply accordingly — Section V (checking activities) and Section VI (tax audit).

The process of verifying APA implementation is carried out by a unit separate from the substantive units responsible for issuing APAs.

Consequences of identifying irregularities — tax audit

If irregularities are identified, the Head of the NRA may — pursuant to Article 104 of the DRM Act, in conjunction with the provisions of Section VI of the Tax Ordinance — initiate a tax audit within the scope covered by the Advance Pricing Agreement.

In the course of the tax audit, the taxpayer is required to provide the auditing authority with access to transfer pricing documentation and any other documents necessary to verify the correct implementation of the Advance Pricing Agreement.

In particular, the taxpayer is required to ensure the presence of persons authorised to represent it, to provide explanations — both oral and written — and to make available accounting books, records, accounting data and electronic records.

A tax audit report is prepared following audit activities concerning the implementation of the Advance Pricing Agreement — depending on the findings of the Head of the NRA:

- no irregularities identified — a tax audit report without reservations, with no further consequences;
- irregularities identified — a tax audit report containing findings of irregularities, with the possibility of initiating further proceedings ending with the issuance of a decision, for example, revocation of the APA or a declaration that the APA has expired.

Statistics 2021-2025

APA verification procedure		2021	2022	2023	2024	2025
Tax audits	completed	2	2	1	0	3
	pending	-	-	2	4	1

AMENDMENT / REVOCATION OF AN APA:

- Article 106 of the DRM Act
- GROUNDS: material change in economic relations resulting in a material change to the elements of the APA
- INITIATED BY: taxpayer or the Head of the NRA
- EFFECT: *ex nunc* / from a specified date /

DECLARATION OF APA EXPIRY:

- Article 105 of the DRM Act
- GROUNDS: the taxpayer does not apply the APA
- INITIATED: ex officio
- EFFECT: *ex tunc* / from the beginning of the period covered by the APA /

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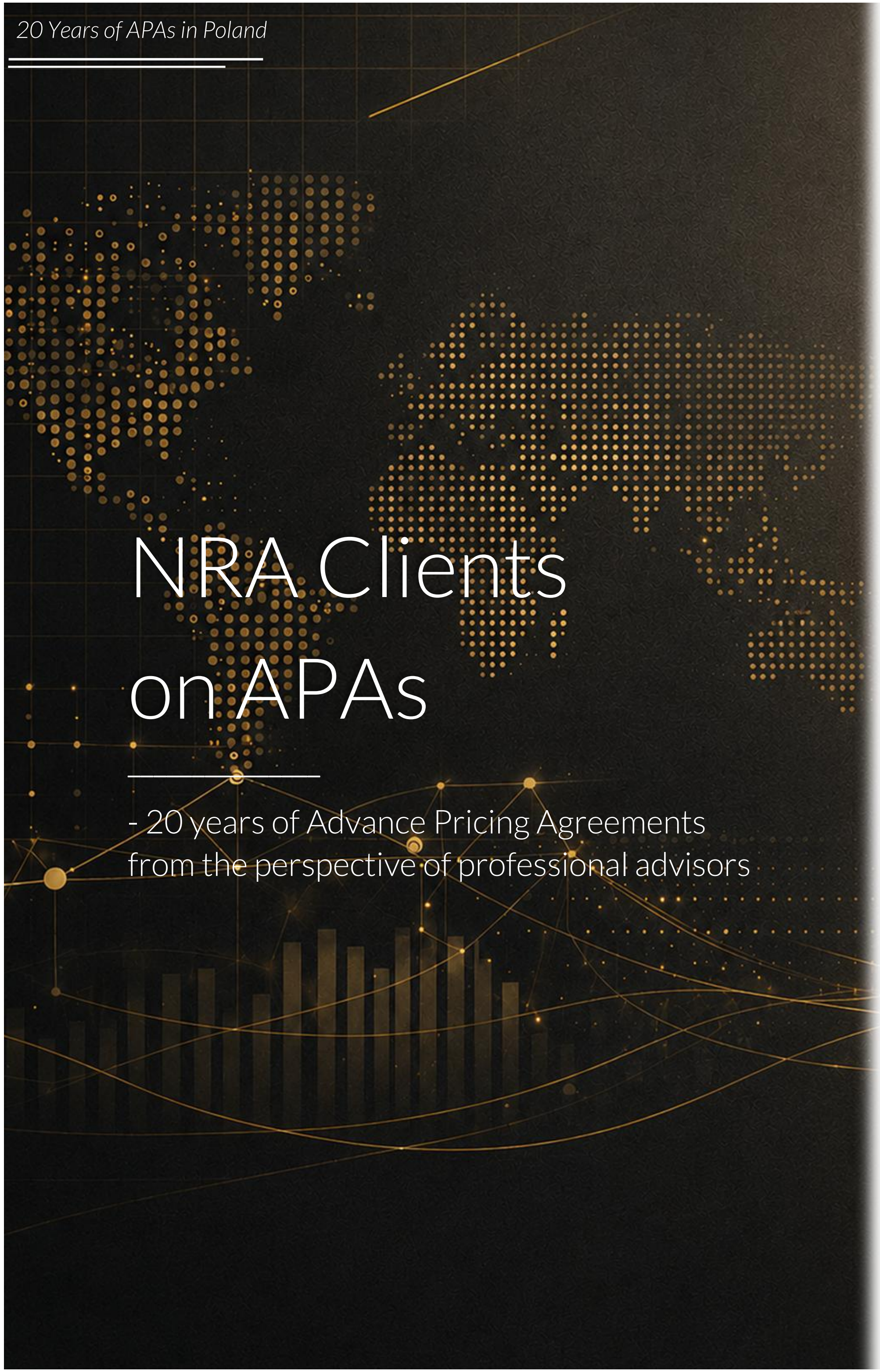

The anniversary edition of the Report is not only a time for statistical summaries, but also an opportunity to look at the APA programme from a broader perspective. As the tax administration, we recognise that the success of this instrument is built through dialogue. Therefore, we invited professional representatives who have been involved in shaping the APA and transfer pricing landscape in Poland over the past two decades to contribute to this year's publication.

Methodology and transparency of selection

To ensure the highest substantive value of the advisory contributions and to maintain full objectivity, the process of selecting the invitees was based on statistical data. An analysis of proceedings conducted in 2006–2025 showed that applicants were most frequently represented by professional representatives associated with five advisory firms, who jointly participated in over 80% of all cases conducted during that period. Importantly, these data take into account the fact that in approximately 5% of cases taxpayers decided to proceed with APA applications on their own, i.e., without the involvement of external advisors.

In view of the above criteria, the invitation to co-create the "*NRA Clients on APAs*" section was addressed to representatives of the following firms, listed in alphabetical order: *Crido*, *Deloitte*, *EY*, *KPMG* and *PwC*. The selection approach adopted made it possible to obtain opinions from entities with the broadest practical experience and unique insight into the evolving needs of business.

Scope of the opinions

The Experts were asked to share their experience in three key areas:

- **Catalogue of benefits:** tangible benefits, both tax and business-related, resulting from holding an APA;
- **Evolution of the process:** reflections on how the dynamics and quality of APA proceedings in Poland have changed over the years;
- **Business motivation:** an analysis of the circumstances in which taxpayers most often decide to apply for an APA.

The opinions presented on the following pages are voluntary and reflect the individual views of their authors.

We have given the floor to practitioners, believing that their perspective will help readers better understand the significance of Advance Pricing Agreements in a modern tax system. We would like to thank all Experts for accepting our invitation and for sharing their valuable practical insights into the APA programme in Poland.

The APA Team of the National Revenue Administration

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Perspective of the CRIDO Team in Poland
Taxand Member Firm

Key benefits of concluding an advance pricing agreement

A number of important benefits of applying for an advance pricing agreement (APA) can be grouped under two coexisting themes: comfort and security.

Security is reflected in the confirmation by the Head of the National Revenue Administration (NRA) that the terms of the transaction covered by the application are consistent with the arm's length principle. The decision therefore provides comfort that, during the five-year period of its validity, which may be renewed, the transaction will not be subject to verification by a tax office or customs and tax office authorities. In this context, it is worth noting that the customs and tax audit statistics made available to us show an upward trend in the effectiveness of such audits, while the Customs and Tax Office in Katowice alone recorded payments of almost PLN 150 million in 2025 as a result of transfer pricing audits.

The security dimension is not limited solely to eliminating the risk of audit findings, which, given the institution of an additional tax liability and the prospect of personal sanctions, is of great importance for business. In the context of day-to-day operations, predictability and the ability to gain comfort in planning the sequence of an increasing number of tasks and obligations for a company's tax and accounting teams are also becoming increasingly important. At the same time, statements made by the NRA management regarding the establishment of a competence centre in Kraków (14 August 2025) and the intensified number of tax checking activities (11 May 2026) should be read as sending one clear message – requiring the question should no longer be *whether our group transactions will be reviewed*, but *when such review will take place*.

The most appropriate response should therefore be to apply for an APA and, by following an agreed and jointly developed path, gain comfort and security.

The legislator has given taxpayers considerable flexibility in defining the transaction for the purposes of the application. An APA may cover both a transaction that is already being carried out and one that is only planned, or it may relate to a specific business event, such as a restructuring. It may also concern our role in the value chain and cover, *de facto*, our entire activity, for example where we act as a manufacturer or distributor within the group.

An APA decision may apply from the year in which the application was filed, regardless of when the proceedings are completed. However, particularly in bilateral and multilateral procedures, where negotiations involve the competent authorities of the foreign counterparty's jurisdiction, the proceedings may extend beyond one tax year.

When applying for an APA, it is also worth taking advantage of the so-called pre-filing meeting – free of charge – during which the prospective applicant may, before formally initiating the procedure, discuss the terms of the transaction with ministerial experts, obtain their preliminary view of the case and outline an indicative work schedule.

Finally, it is worth mentioning a certain informal layer of protection – and thus comfort – which extends beyond the formal scope of the decision. In our opinion, the beneficiary of an APA decision gains reputational standing within the tax administration system, which has a positive impact on classification into risk groups. Where the operating model and transfer pricing policy remain stable, the formal scope of the decision may have an effect beyond its strict boundaries and, based on our experience, its content may constitute a very strong argument in potential discussions with audit authorities concerning other transactions not covered by the taxpayer's APA or carried out by its "*sister*" company, or concerning other periods, for example before the APA was formally concluded.

Perspectives and experience related to concluding advance pricing agreements in Poland over the years

There is no doubt that the 20 years of the APA programme in Poland have been a period of dynamic development of expertise within the NRA. This expertise results not only from the ongoing handling of cases, but is also closely linked to the exchange of ideas at the international level, including through the participation of ministerial experts in various initiatives and platforms at the EU and OECD levels.

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This period has also been marked by a consistent approach and conciliatory mindset and, regardless of operational circumstances, the partnership-based principles of co-operation within the proceedings have remained unchanged.

In our opinion, from an organisational and procedural perspective, recent years have been marked by two events that caused certain difficulties and therefore posed a challenge for the APA programme.

The infamous provisions of Article 15e of the CIT Act, fortunately repealed as of the beginning of 2022, imposed a limit on the tax deductibility of expenses incurred for selected services or licences payable to group entities. Having a given service or licence covered by an APA guaranteed exclusion from this limit. In our opinion, the avalanche of APA applications submitted to the Ministry of Finance (NRA) organisational unit, which at that time had too few experts, led to a significant slowdown in the processing of applications.

The challenging period marked by slower processing of applications, due to their volume, has in fact already passed. In the final assessment, however, the benefits of that situation include the expansion of staffing resources on the Ministry of Finance (NRA) side and a certain clarification of procedural rules.

The second event was the coronavirus pandemic, which, based on our observations, had a negative impact on the pace of handling cases, particularly bilateral APA cases (BAPA). Adapting to remote working standards was a challenge for everyone, while BAPA cases require not only communication between the applicant and the Head of the NRA, but also – indeed, above all – dialogue between authorities at the international level, which has always been facilitated by in-person meetings held during successive rounds of negotiations.

Similarly to the situation with Article 15e of the CIT Act, the state of epidemic emergency has definitively come to an end and positive conclusions can certainly be drawn from this experience, including the general dissemination and standardisation of remote work.

To sum up, a consistent consensus-oriented and partnership-based approach, combined with steadily expanding technical expertise, guarantees the appropriate quality of the APA programme. At the same time, the increasing maturity of taxpayers' tax functions should have a positive impact on the popularity of APAs and other instruments offered by the NRA, such as the Co-operative Compliance Programme and Investment Agreements.

Situations in which taxpayers currently most often consider applying for an advance pricing agreement

Undoubtedly, awareness of transfer pricing issues is growing both among taxpayers and within the broadly understood structures of the NRA. The factors mentioned above - including the increased importance given to the matter through the establishment of the Kraków centre, the prevalence of verification activities, and the high level of expertise of professionals reviewing APA applications, combined with the formal and "*informal*" protection resulting from the decision - clearly contribute to increasing the attractiveness of advance pricing agreements. As a side note, and with a touch of humour, the benefits may also be said to include a decrease in the real value of the administrative fee for the application, understood as the fact that it has not been indexed for 20 years.

The basic and generally appropriate criterion for selecting transactions continues to be their materiality and "*continuity*", understood as the performance of a transaction under the same terms for a period exceeding one year. A natural consequence is therefore to seek an APA with respect to the role played by a given entity in the value chain, such as the role of a manufacturer or distributor, or to cover transactions that constitute a material tax-deductible cost item from the taxpayer's perspective, such as the purchase of services and licences.

Naturally, the comfort resulting from an APA decision makes renewals popular, i.e., obtaining protection for subsequent five-year periods.

At the same time, given the dynamics of market changes, it seems that APA applications should increasingly cover transactions involving intragroup financing or the granting of guarantees.

Ewelina Stamblewska-Urbaniak
Managing Partner, Transfer Pricing Team Leader

Adam Zbroiński
Senior Manager for Transfer Pricing Proceedings and Procedures, Transfer Pricing Team

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Perspective of the Deloitte Team in Poland

At Deloitte, we have been supporting APA procedures since the very beginning of their operation in Poland, i.e., since 2006. We have guided many of our clients through this process. One of them — the first taxpayer in Poland to successfully obtain an APA in 2006 — has remained within the APA framework for 20 years now, highly valuing the benefits of participating in the programme.

We appreciate the development of this type of cooperation with tax authorities, based on transparent communication, mutual respect for positions and an understanding of business realities by those involved in the process on the tax administration side.

An APA offers a range of benefits, not always obvious, both for the taxpayer and for the tax authorities. Protection against a transfer pricing audit with unpredictable consequences is one of them, but one should not overlook the possibility of holding a proactive discussion with the authority — in a positive atmosphere! — on current or planned business changes, the stabilising role of this instrument in intragroup discussions, or the possibility of avoiding many years of costly cross-border disputes in the case of a bilateral procedure.

On the other hand, tax authorities, through partnership-based dialogue, gain access to extremely valuable business information, which enables them to properly understand the functioning of an entire industry. An APA also makes it possible to reach an agreement with the taxpayer consensually which, in other circumstances, could require many years of dispute, involving significant risk for both parties.

Since 2006, we have observed significant changes in trends in concluding APAs, both in terms of the quantitative structure of unilateral and bilateral applications and the types of transactions most often covered by agreements. In recent years, the impact of Article 15e of the CIT Act has also been significant for the APA procedure. In addition to a number of negative consequences for its functioning, it paradoxically also brought this instrument closer to many taxpayers who had not previously considered applying for an agreement.

Currently, APAs have once again become an instrument for discussing difficult and non-obvious cases, and taxpayers are approaching the National Revenue Administration with greater confidence to have highly complex transactions analysed from an economic perspective, often significantly departing from the standard application of the TNMM. In the APA Team, we find partners for discussing these most challenging cases.

We would welcome the widest possible application of instruments for cooperation with tax authorities also in other areas of tax law.

In the area of transfer pricing, a particularly valuable addition could be the implementation of solutions "*lighter*" than a "*full APA*" — for example, an equivalent of the ICAP procedure — enabling less complex TP issues to be addressed unilaterally.

Extending the application of this procedure to less obvious areas involving TP solutions, such as IP BOX, would also be welcomed by taxpayers.

One of the more challenging aspects of the functioning of APAs remains the duration of proceedings, which can be particularly demanding for clients operating in a dynamically changing business environment and required to make quick, sometimes difficult, decisions.

The introduction of additional legal solutions allowing the possibility of audits by local authorities to be suspended during APA negotiations would certainly increase the attractiveness of this instrument.

Another change that would undoubtedly have a positive impact on the perception of APAs as an instrument ensuring stability in a changing regulatory environment would be the so-called "*rollback*", i.e., the possibility of obtaining an advance pricing agreement for past periods. This is a proposal that appears quite frequently in our discussions with clients.

Iva Georgijew, Agnieszka Mitoraj, Rafał Sadowski, Igor Fudali, Mariusz Każuch

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Perspective of the EY Team in Poland

Key benefits of concluding an advance pricing agreement

From an advisory perspective, an APA is primarily a tool for the strategic management of transfer pricing risk. Its value goes beyond the formal confirmation of the transfer pricing model.

A well-prepared agreement gives the management board greater predictability, organises the intragroup cooperation model and limits tax exposure in the areas of greatest business significance.

The key benefit is obtaining a high level of tax certainty for the transactions covered by the agreement. The acceptance by the Head of the National Revenue Administration of the adopted transfer pricing verification method and the remuneration calculation methodology significantly reduces the risk of the settlements being challenged, income being adjusted, and allegations concerning due diligence.

In practice, the structuring value of the process itself is equally important. Preparing the application requires translating the business model into coherent economic arguments: a description of the parties' functions, assets employed, risks assumed, value flows and the method of determining remuneration. For many clients, this is the moment when the transfer pricing policy, documentation, reporting and the actual course of the transaction are reviewed comprehensively, as one consistent system.

From the management board's perspective, an APA provides stability. It makes it possible to plan profitability, budgets and intragroup flows based on a model accepted by the tax administration. This is particularly important for long-term transactions, transactions of significant value, or those that are key to the group's operating model.

An APA also reduces the organisational burden on the tax function. Transactions covered by the agreement benefit from simplifications in terms of documentation obligations, while the decision provides strong support for the position that due diligence has been exercised. This is important not only for tax and finance teams, but also for management board members responsible for signing statements and TPR-C information.

As a result, an APA operates as a strategic "*insurance policy*" for the most important intragroup transactions. It does not eliminate the need for ongoing transfer pricing management, but it significantly reduces uncertainty, strengthens the taxpayer's position in relations with the tax administration, and allows the management board to focus on business decisions rather than on managing potential disputes.

Perspective and experience related to concluding advance pricing agreements in Poland over the years

Based on our experience, taxpayers' perception of APAs has changed significantly over the years. Initially, an advance pricing agreement was often treated as an exceptional solution, reserved mainly for the most complex transactions. A separate stage was marked by applications concerning intragroup services, submitted in connection with the then applicable restrictions on the deductibility of certain expenses for intangible services.

Today, an APA is increasingly perceived as a deliberate tool for managing tax risk and as an element of planning new or modified intragroup transfer pricing settlements. This change has been driven by the growing audit activity of tax administrations, the increasing importance of transfer pricing reporting, and the expectation of management boards that key tax areas should be managed proactively, rather than solely reactively. Clients increasingly understand that an APA is not merely a defensive solution in the event of an audit, but a tool that allows an acceptable transfer pricing model to be confirmed in advance.

In practice, the advisor's role is not limited to preparing the application. It includes assessing the rationale for applying for an APA, identifying potential risks, structuring the business and economic arguments, supporting the collection of benchmarking and financial data, and translating the taxpayer's operational realities into the language of transfer pricing analysis.

APA proceedings also require efficient coordination between the taxpayer, the advisor, the group headquarters and the tax authority. From this perspective, the process is not only formal, but also strategic and organisational. It allows for a better understanding of the client's operating model, value flows within the group, the decision-making process and the actual economic circumstances of the transaction. As a result, the advisor acts not only as a representative in the proceedings, but also as a partner supporting the taxpayer in the long-term management of transfer pricing risk.

A distinctive value of APA proceedings is their dialogue-based nature. The opportunity to discuss with the tax authority the specifics of the taxpayer's business, the assumptions of the transfer pricing model and the reasons for selecting a given method makes it possible to present the economic rationale for the transaction more effectively than in a typical tax audit. From an advisory perspective, this also provides room to clarify issues that could become a source of dispute in the future.

In the course of APA proceedings, we observe the APA Team's strong technical preparation and practical understanding of the complexity of business models within corporate groups. The authorities' analytical approach, openness to dialogue and readiness to seek solutions that are consistent with the arm's length principle, while at the same time taking into account the economic realities of the transaction, increase the practical usefulness of APAs.

Bilateral and multilateral APAs are also becoming increasingly important. For international groups, they are particularly relevant because they make it possible to agree on the approach to a transaction not only with the Polish tax administration, but also with the tax administration competent for the counterparty. In our view, this trend will continue to gain importance as operating models become more complex and expectations regarding tax consistency at the level of the entire group increase.

Situations in which taxpayers currently most often consider applying for an advance pricing agreement

The decision to apply for an APA should form part of a broader assessment of tax, business and operational risk. An APA delivers the greatest value where a given transaction is material to the taxpayer's profitability, supports the stability of the group's operating model or gives rise to material exposure to a dispute with the tax administration.

In practice, this applies in particular to:

- complex intragroup transfer pricing models involving significant functions, intangible assets, extensive value chains or profit split components;
- the implementation of new transactions, modifications to existing settlements, business restructurings or changes to the operating model;
- high-value, long-term transactions or transactions that are key to the profitability of the Polish taxpayer;
- settlements involving intangible assets, financing, licence fees and manufacturing, distribution or service models based on a specific level of profitability;
- situations in which the taxpayer wishes to confirm in advance the appropriateness of the planned model and reduce the risk of double taxation.

From the advisor's perspective, it is important that the possibility of applying for an APA is now increasingly analysed already at the stage of designing the transfer pricing model, and not only after its implementation. This approach allows taxpayers to manage risk more effectively, prepare coherent business and economic arguments, and avoid later difficulties resulting from inconsistencies between the transfer pricing policy, documentation, reporting and the actual conduct of the transaction.

In conclusion, an APA remains a particularly valuable instrument for taxpayers who wish to manage transfer pricing matters responsibly and over the long term. From an advisory perspective, its significance lies not only in providing formal protection, but also in creating a structured, transparent transfer pricing model for the most important intragroup transactions, agreed with the tax administration. The APA process also supports the development of a long-term relationship with the taxpayer, based on an in-depth understanding of its business, trust and a shared strategic approach to tax risk management.

Paulina Bzymek-Iwanowicz
Partner, Business Tax Advisory, Transfer Pricing

Aleksandra Jackowska
Partner, Transfer Pricing

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I view the APA procedure from the perspective of someone who has been involved in it since its inception in Poland. Since 2006, I have used this tool for my clients, participating in numerous proceedings aimed at concluding advance pricing agreements for companies across various industries and operating under diverse business models. In my opinion, the APA procedure is one of the most important practical tools for managing transfer pricing risk for companies and their management boards, and its development over the past 20 years has been highly dynamic.

During my 26 years at EY, I advised companies on how to build robust and reliable intra-group settlement models. From the outset, I believe that the essence of transfer pricing lies not in the detailed interpretation of regulations, but in the accurate economic valuation of transactions. In my view, the transfer pricing advisory market has, for too long, focused on the formal aspects of documentation requirements and the preparation of materials with limited evidentiary value—often produced to meet compliance expectations rather than to address the fundamental question of whether settlements are correct. This approach has been, and to some extent remains, counterproductive, as it diverts attention from what truly matters: a sound analysis of settlement models and their impact on financial statements and taxable income.

From this perspective, the APA procedure has been and remains a unique instrument. It was the first cooperative-type procedure introduced into the Polish tax system, enabling management to engage openly, transparently, and substantively with the tax authorities on complex business matters—without the typical atmosphere of dispute, sanctions, and mistrust associated with audits. This does not mean that APA proceedings are easy, quick, or free from tension. On the contrary, they are often demanding, time-consuming, and analytically complex. However, they are conducted within a framework of constructive dialogue and agreement rather than confrontation.

I hold the Polish APA programme in high regard, although its quality has not always been consistent. The level of expertise within administrative teams has varied over time, as has the pace of proceedings, and the overall duration of procedures has often left room for improvement. At the same time, over these two decades, the Ministry of Finance and the National Revenue Administration (KAS) have developed teams with strong analytical capabilities. Today, we engage with professionals who understand not only the regulations, but also the economics of transactions, business models, value chains within capital groups, as well as the associated risks and business challenges. This represents a significant institutional asset that should be carefully preserved.

The APA programme demonstrates that tax authorities and taxpayers can engage in meaningful, fact-based dialogue, even where their perspectives and interests differ.

Such a level of dialogue is unlikely to be achieved through tax audits. Audits are prolonged, resource-intensive, and often followed by appeal procedures that can extend for years, with an uncertain outcome. In the meantime, businesses must operate under conditions of uncertainty while dedicating substantial time and resources to managing the process, and the state does not obtain either a swift or a definitive resolution. For this reason, it may be worth considering a practical expansion of advance agreement procedures—potentially evolving towards a cooperative compliance model or a form of transfer pricing certification—rather than further increasing documentation and reporting obligations or introducing additional legislation.

A well-designed and continuously operating agreement-based framework would provide the administration with a broad, high-quality view of transfer pricing models and their impact on the corporate income tax base. It would enable more effective and timely identification of areas of genuine risk related to profit shifting, while also supporting the management boards of Polish companies in managing risks that often stem not from local operations but from group-wide policies.

The current APA team within KAS provides an excellent foundation for scaling up such an agreement-based approach. Strengthening the team with experts who bring business experience, financial insight, and economic expertise could significantly enhance the efficiency and capacity of the procedure—an essential condition for encouraging wider use by companies.

After 20 years of APA practice in Poland, the key question is no longer whether the procedure is justified, but rather how it should evolve going forward. In my view, there is strong potential for the transfer pricing agreement framework to become one of the pillars of a modern transfer pricing system in Poland, delivering tangible benefits to both the State Treasury and taxpayers.

Aneta Błażejewska-Gaczyńska
EY Transfer Pricing Partner (2009–2025)

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Perspective of the KPMG Experts in Poland

At KPMG, we welcomed with great enthusiasm the regulations introduced in 2006, which made it possible to confirm the terms of transactions between related entities with representatives of the tax authorities. We expected that, particularly in the case of high-value transactions, the possibility of ensuring that the pricing method would not be challenged would generate significant interest among our clients. The following 20 years confirmed these expectations.

However, at the beginning there was considerable uncertainty as to what such proceedings would look like, and even concerns among some taxpayers that disclosing all details related to the adopted pricing methodology might turn against them. Yet the courage of the first applicants paid off many times over. We share experience with clients whose transaction terms have been confirmed through successive renewals of APA decisions for more than a dozen, or even almost 20, years — after all, we concluded one of the first APAs in Poland. Those who even attempted discussions with representatives of the Ministry of Finance, and later formally with the National Revenue Administration, quickly realised that obtaining an advance pricing agreement could bring them the benefit of transaction security.

For many clients, contact with representatives of the tax authorities required overcoming a certain mental barrier, linked to the need to abandon old habits of distrust in dealings with the tax administration. However, given the voluntary nature of the proceedings, many entities gradually became convinced that, through meetings and discussions, it was possible to build a level of partnership enabling the arguments of both parties to the proceedings to be understood. This allows trust to be established, thanks to which both parties jointly seek success in the form of concluding an agreement.

Of course, many proceedings are difficult, but this only makes the satisfaction greater when an advance pricing agreement is concluded. In many cases, the arguments of both parties are weighed and positions are debated until the very end of the negotiations. This means that the proceedings are usually neither quick nor problem-free. However, in the vast majority of initiated proceedings, it is possible to find a compromise that is satisfactory — or sometimes equally unsatisfactory! — for both parties. Even in those rare cases where the proceedings do not end successfully, taxpayers obtain valuable guidance on how a future audit may assess their transaction and what the tax consequences may be. Moreover, as the number of bilateral and multilateral proceedings increases, Polish taxpayers not only negotiate with representatives of the National Revenue Administration, but in fact build a common position with them in order to present it against the position of the tax authorities of another country. It often turns out that, in an international context, the interests of Polish taxpayers and the National Revenue Administration are aligned.

Over the last 20 years, our clients' approach to advance pricing agreements has evolved significantly. Initially, there was a sense of distrust. Would the proceedings cause trouble for the applicant? Would the secrets of how the business is conducted be disclosed or used against the taxpayer? Fortunately, nothing of the kind happened. The team conducting the proceedings has always maintained absolute confidentiality and observed tax secrecy.

Over the following years, taxpayers moved from cautious, or even confrontational, attitudes towards cooperation aimed at developing a compromise that would take into account the interests of both parties involved. The gradual increase — at one point even an avalanche, concerning service transactions — in the number of successfully completed cases sometimes even led to expectations that every proceeding, and therefore any transaction terms, could, after a sufficiently long procedure, result in a positive outcome. Such an expectation is, of course, incorrect. What is entirely true, however, is that the team negotiating advance pricing agreements now has many years of experience and knowledge of both the market and numerous business mechanisms, enabling it to efficiently assess which pricing mechanisms may be considered arm's length.

Initially, unilateral proceedings clearly predominated. Over time, however, there has been growing interest in securing transactions not only on one, Polish, side of the transaction. As a result, the number of international proceedings — bilateral and multilateral — has been increasing. We also observe the usefulness of advance pricing agreements in situations where transfer pricing policies are modified as a result of restructuring, reorganisation or changing market conditions. An APA is becoming a standard tool for securing the group's TP policy.

Additional, unexpected positive effects of concluded advance pricing agreements have often emerged. Obtaining an advance pricing agreement and confirming the transfer pricing policy for recurring transactions brings stability to the way business is conducted. An APA provides peace of mind and at least partial certainty as to the consequences of business decisions. International groups respond calmly to market turbulence, without resorting to abrupt changes in transaction terms, knowing what has been agreed in the APA. This gives our clients the security that, in unstable market circumstances, they can focus on what matters most to them, namely maintaining sales levels or market share and competing with competitors, rather than with the tax authorities.

Many of our clients who decided to benefit from obtaining an advance pricing agreement can no longer imagine operating without such transaction protection. In most cases, they seek to renew the decision and confirm its terms for another period. This explains the frequent situations in which our clients have already renewed the original decision several times. Of course, the administrative fee for the proceedings remains an issue for many prospective applicants. However, the certainty and security of the transaction are of far greater value. In the case of transactions often worth many millions, the fee as an entry threshold seems insignificant compared with the benefits that can be achieved.

In the first years of the agreements' operation, it was typical to apply for the terms of individual transactions to be agreed. Today, taxpayers want to secure several key flows of goods or services, or intangible or financial transfers. This increases the complexity of proceedings and, consequently, requires the application to be prepared in a way that facilitates the National Revenue Administration's understanding of the taxpayer's business as a whole. Increasingly, APA negotiations are conducted in parallel with MAP proceedings — in this way, disputes concerning settlements from the past are addressed, while at the same time certainty is obtained as to the approach for the future. On the National Revenue Administration side, we then communicate with combined APA and MAP teams within the Department for Large Business, which greatly streamlines communication.

The gradual building of trust between taxpayers and the tax administration observed over the last 20 years has resulted in the development of further institutions that help many entities manage their tax policy. Without the development of APAs, there would be no co-operative compliance agreements, no possibility of concluding investment agreements, and no other forms of horizontal monitoring or cooperation with tax authorities. We see potential for the further development of this institution, not only in quantitative but also in qualitative terms. The regulations should be continuously developed and improved so that they can be flexibly adapted to future challenges, for example by allowing initiated unilateral proceedings to be converted into bilateral proceedings, or by allowing the pricing method to be changed upon renewal of the decision in dynamically changing market conditions.

We are pleased to have been able to co-create the history of advance pricing agreements in Poland to date, and we hope for further successful proceedings that will help our clients conduct their business and protect their interests.

Jacek Bajger
Partner, Tax Advisory Department, Head of the Transfer Pricing Team, KPMG in Poland

Monika Palmowska
Partner, Tax Advisory Department, Transfer Pricing Team, KPMG in Poland

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Perspective of PwC Poland

Benefits of concluding an advance pricing agreement

An APA is the only instrument in the Polish tax system that allows a taxpayer to obtain certainty as to the correctness of the transfer pricing model before that model gives rise to tax consequences. This distinction from a tax audit is fundamental.

In an audit, the authority already has knowledge of the actual results of the transaction — knowledge that the taxpayer did not have when designing the model. The discussion therefore takes place under conditions of information asymmetry and under the pressure of potential sanctions. In the APA procedure, both parties seek a solution jointly, proactively and without the risk of personal liability on the part of management.

An additional value is the substantive quality of the discussion. Experts from the Transfer Pricing and Advance Pricing Agreement Units of the Department for Large Business ("*APA Units*") are highly specialised in transfer pricing and understand that their role requires a balanced perspective — regardless of whether the proceeding is bilateral, where another tax administration is a party, or unilateral, where the other party may always initiate a mutual agreement procedure. This requires both sides to be factual and pragmatic.

Our experience — what works and where we see room for improvement

Over the years of participating in APA proceedings, we have observed several recurring elements that determine the success of the procedure — as well as several that hinder it.

Strengths of the procedure:

- Proactive, not overly formalised cooperation. National Revenue Administration (KAS) experts are available by telephone and e-mail, share their doubts and communicate their action plan directly — including reservations about the proposed model and the direction of negotiations with the other competent authority. When this openness exists, the procedure works efficiently.
- Substantive discussion. Even where positions differ, the discussion is based on business and economic arguments, and to a lesser extent on formal issues. NRA experts understand clients' operating models, which makes it possible to conduct the dialogue at the appropriate level.

Areas for improvement:

- Time.
  This is the most serious barrier. The backlog from the period of intensive inflow of applications related to Article 15e of the CIT Act means that many proceedings exceed the statutory timeframes. The unpredictability of the completion date discourages clients from submitting applications.
- Proportionality of information requests.
  There are situations where the focus is placed on very detailed data concerning aspects with only a marginal impact on the transfer price level. A transparent discussion about the materiality of individual elements usually resolves this problem — but it requires mutual trust.
- Niche industries and market dynamics.
  In the case of specialised business models, the APA Units' experience may be more limited. At the same time, market parameters change so significantly that a model that was appropriate a decade ago may no longer fit today's realities. Openness to the taxpayer's knowledge and flexibility in updating agreements are the answer here.
- Consequences of withdrawing the application.
  The APA procedure requires full transparency from the taxpayer — in return, the taxpayer assumes that it may withdraw without negative consequences. Including the preliminary view of the Head of the National Revenue Administration in a decision discontinuing the proceedings is a practice that undermines this trust. A local authority that does not know the full context may treat such a position as a basis for initiating an audit. This does not serve the APA institution well.

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When taxpayers turn to APAs

In our practice, an APA application is most often considered in the following situations:

- complex or atypical transaction structures, where standard documentation does not provide sufficient comfort as to the acceptability of the model;
- restructurings and changes to the operating model — where the taxpayer wants to be certain that the new model will be accepted before it starts operating;
- high-value, recurring transactions with a significant impact on the tax result — where the cost of uncertainty is high;
- transactions previously challenged during an audit — where an APA makes it possible to eliminate risk for the future;
- recently, we have observed growing interest in APAs for financial transactions, including intragroup loans, guarantees and more complex structures, where market volatility and valuation complexity generate a significant risk of dispute.

What would help the APA institution work even better

- A schedule for the proceedings agreed at the outset — with realistic timeframes, milestones and consideration of the time needed by the taxpayer to prepare data.
- Active use of the taxpayer's and advisors' resources. The taxpayer knows its business best — allowing it to prepare certain analyses would relieve the APA Units and shorten the procedure.
- Procedural templates for typical transactions, such as services, loans and licences — these would increase predictability and efficiency on both sides.
- Application templates aligned with the content of the decision — in order to shorten the time required and facilitate the preparation of the decision.
- Greater transparency at the stage of negotiations with the other competent authority — to the extent procedurally permissible — would allow the taxpayer to better manage business expectations and respond more quickly to information needs.

APA is an institution that — despite the challenges described above — works. And it works well where both parties approach it with openness. We believe that the next 20 years may be even better.

Piotr Wiewiórka
Partner, PwC Polska Kassel i Wspólnicy sp.k.

Andrzej Zubik
Partner, PwC Polska Kassel i Wspólnicy sp.k.

Future editions of the Report will be published periodically. The next one, containing updated data for 2026, will be available at the beginning of 2027.

Basic statistical data on APAs are also published during the year, reflecting the status as of 30 June. These include the number of agreements issued, the number of pending proceedings, the types of transactions covered, the transfer pricing verification methods applied and selected financial indicators together with their respective value ranges.

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Part 2.

APA Statistics

The data presented in this report are aggregated and therefore general in nature. They do not provide details on individual cases — such as transaction specifics, industry, adopted business strategy, critical assumptions or functional analysis, etc. — that influenced the final content of the APAs issued.

The aggregated presentation is based on individual data derived from issued decisions. The publication has been prepared in a way that prevents the identification of related entities and controlled transactions covered by Advance Pricing Agreements.

The Years 2006–2017

a twelve-year period from the introduction of APA regulations into the Polish legal framework to the end of the last year during part of which the Minister of Finance remained the authority competent for APA matters

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Applications for APA submitted between 2006 and 2017

Between 2006 and 2017, a total of 90 applications for an APA were filed, including 15 requests for the extension of the validity period/renewal of a decision. In the first year following the introduction of APA regulations in Poland, 12 applications were lodged, all for unilateral APAs. [Chart 1]

In subsequent years of the analysed period, an average of 7 applications were filed annually. The first application for a bilateral APA was submitted in 2008, and the first request for a multilateral APA was submitted in 2010.

The majority of the submitted applications were for unilateral agreements, with over 60 applications (representing nearly 70% of all submissions between 2006 and 2017). Additionally, 26 applications for bilateral APAs (approximately 29%) and 2 applications for multilateral agreements (approximately 2%) were submitted during this period. [Charts 2-3]

By the end of 2017, 74% of the applications had been examined, either through the issuance of an APA or another resolution concluding the proceedings.

Chart 1. Number of APA applications submitted from 2006 to 2017

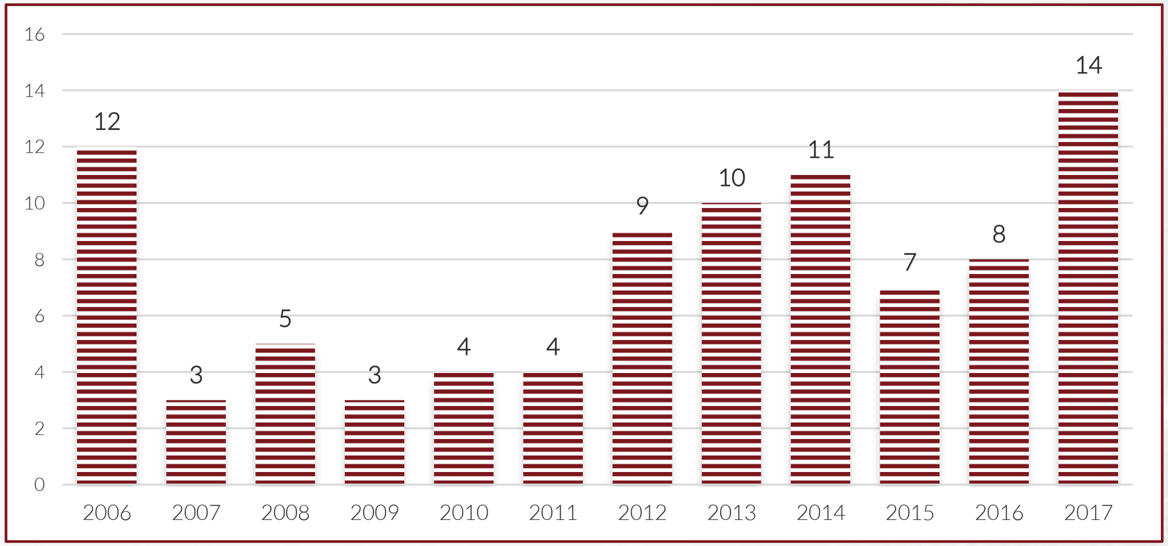

Chart 2. Applications submitted from 2006 to 2017 by type of APA

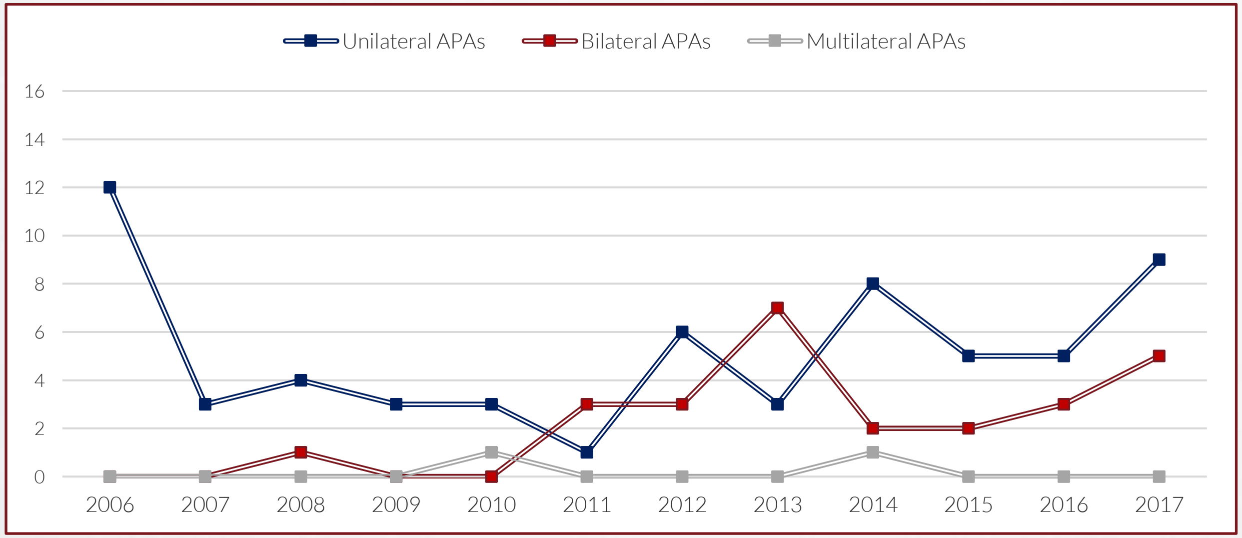

Chart 3. Applications submitted between 2006 and 2017

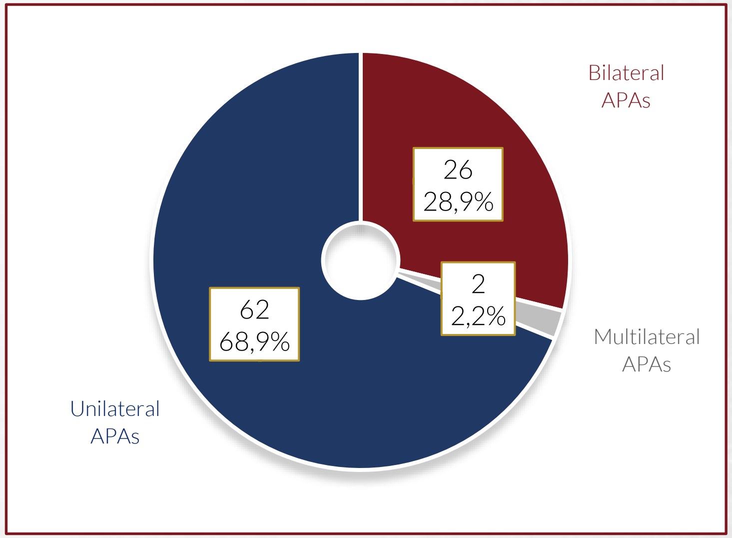

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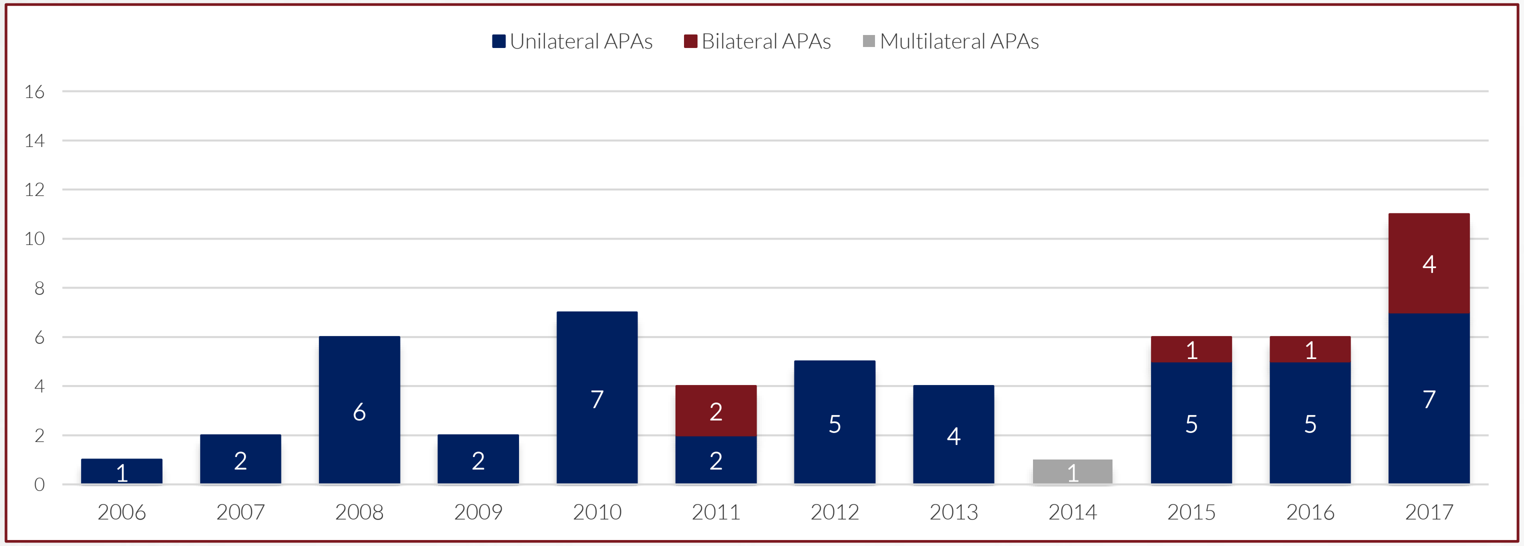
CHART 4. NUMBER OF APAS ISSUED FROM 2006 TO 2017



61% of applications submitted during this period were finalised with the issuance of an APA. The following APAs were concluded [Chart 4]:

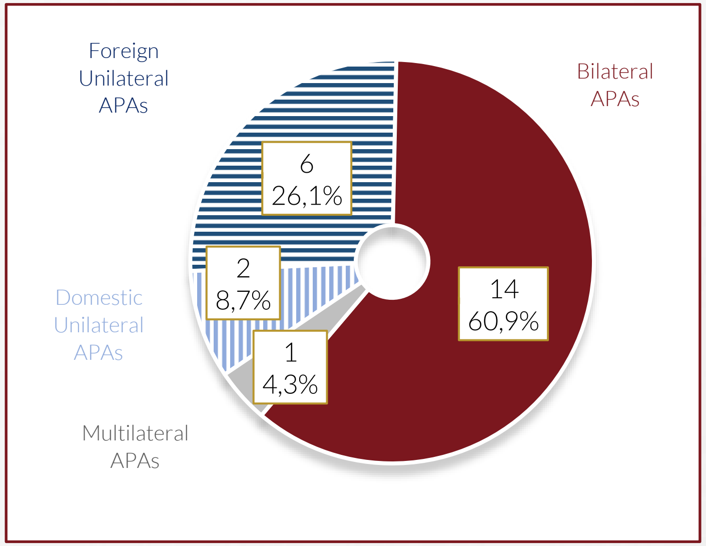
- 46 unilateral agreements — including 9 domestic and 37 foreign agreements;
- 8 bilateral agreements;
- 1 multilateral agreement.

13 decisions concerned the extension of the validity period/renewal of an agreement — 12 unilateral APAs and 1 bilateral APA.

In 2011, the first two bilateral APAs negotiated by the Polish administration (with Switzerland and the United Kingdom) were concluded, and in 2014, the first multilateral APA involving four competent authorities was finalised.

At the beginning of 2018, 23 proceedings were pending — 8 concerning unilateral APAs, 14 concerning bilateral APAs, and 1 concerning a multilateral APA. [Chart 5]

CHART 5. PROCEEDINGS PENDING AS OF 31 DECEMBER 2017



✓ **90**
applications for APA submitted in 2006–2017

✓ **55**
Advance Pricing Agreements concluded in 2006–2017

✓ **12**
other resolutions ending the proceedings issued in 2006–2017
(refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings)

✓ **23**
proceedings pending as of 31 December 2017

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CHART 6. TYPES OF TRANSACTIONS COVERED BY APAs ISSUED BETWEEN 2006 AND 2017 (55 APAs)*

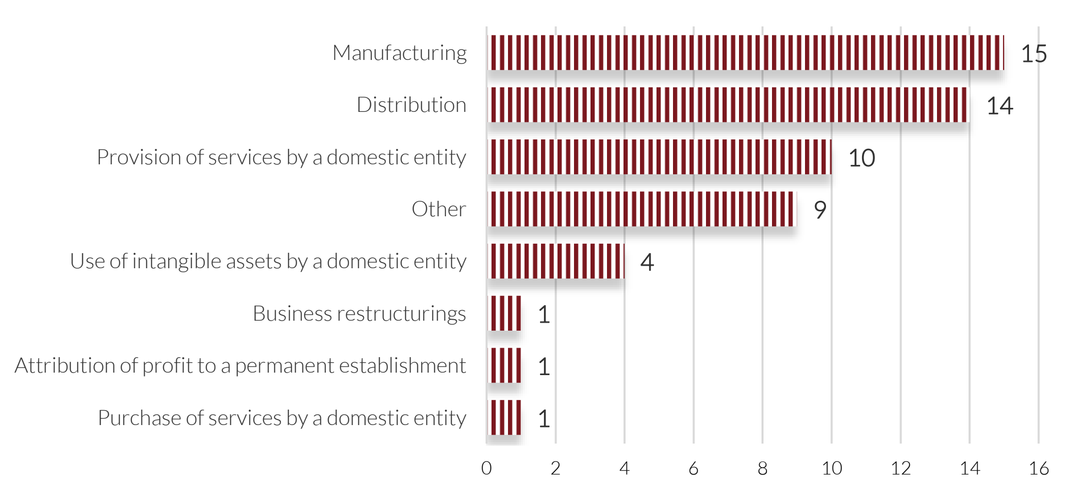


CHART 7. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs*

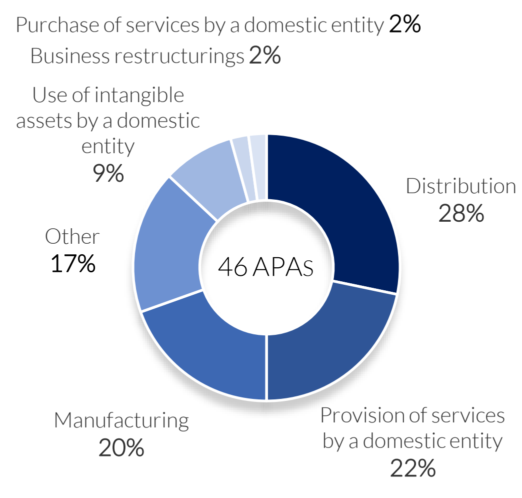
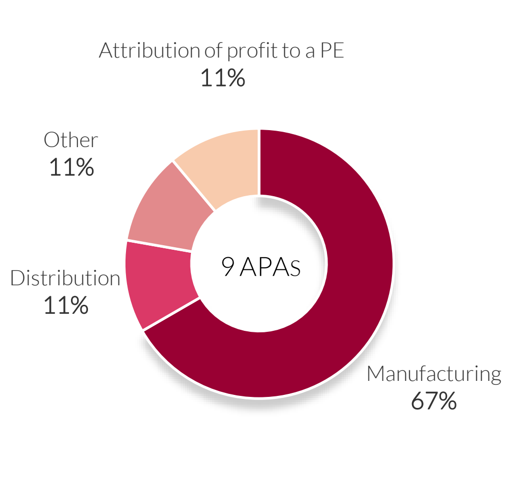
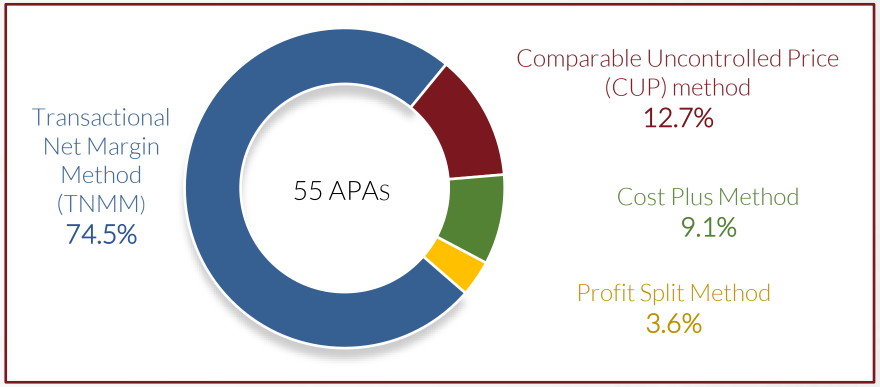


CHART 8. TYPES OF TRANSACTIONS COVERED BY BILATERAL AND MULTILATERAL APAs*



Changes compared with the data presented in the first edition of the APA Report (2006–2023) result from the application of a new, more transparent classification of transactions.

CHART 9. METHODS APPLIED IN APAs ISSUED BETWEEN 2006 AND 2017



APAs issued between 2006 and 2017 primarily covered transactions involving manufacturing and distribution activities - 29 decisions in total - as well as the provision of other services, such as IT and accounting services, by domestic entities, and transactions classified as other, including complex transactions. APAs concerning these four categories accounted for nearly 90% of the agreements concluded during this period. **[Charts 6-8]**

The dominant method was the transactional net margin method (TNMM), applied in nearly 75% of the decisions issued **[Chart 9]**. This resulted, on the one hand, from the types of transactions covered by the APAs issued, including the small number of transactions in which both parties made unique and valuable contributions, and, on the other hand, from the structure and availability of financial data required to apply a given method.

In transactions in which TNMM was used, the most commonly applied profitability indicators were operating margin and operating mark-up, each applied in approximately 40% of APAs in which TNMM was used. The operating margin indicator was generally used to price distribution activities. Its results ranged from 1.2% to 10.4%. The operating mark-up indicator ranged from 2.0% to 15.0% for manufacturing activities and from 1.3% to 9.3% for service activities. In other cases, indicators such as return on sales and return on assets were applied.*

** The presented ranges of results relate to various factual circumstances and industries in which the business activities are conducted.*

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The Years 2018–2025 (1)

an eight-year period from the beginning of 2018, i.e. the first full year in which the Head of the National Revenue Administration has been the authority competent for APA matters

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The Years 2018–2025 (2)

an eight-year period from the beginning of 2018, i.e. the first full year in which the Head of the National Revenue Administration has been the authority competent for APA matters

Unilateral APAs 2018–2025

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The Years 2018–2025 (3)

an eight-year period from the beginning of 2018, i.e. the first full year in which the Head of the National Revenue Administration has been the authority competent for APA matters

Bilateral and Multilateral APAs 2018–2025

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Summary of 2025

As of 1 January 2025, 200 cases were pending **[Chart 10]**:
– 130 for unilateral APAs (accounting for 65% of the total), and
– 70 for bilateral APAs (35%).
These included 31 APA renewal proceedings.
16% of the pending proceedings concerned applications submitted as a consequence of Article 15e of the CIT Act. All of them were applications for unilateral APAs (2 domestic and 30 foreign).

In 2025, 48 proceedings were completed, resulting in the signing of 31 APAs. The Head of the NRA issued:
– 25 unilateral agreements, including 4 domestic and 21 foreign;
– 6 bilateral agreements.
17 cases were completed through the issuance of another resolution*. **[Chart 11]**

** Refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings.*

In 2025, the Head of the NRA received 49 APA applications (17 fewer than in the previous year, and 3 and 18 more than in 2023 and 2022 respectively), including 17 applications for bilateral APAs (representing 35% of applications). **[Chart 12]**

As of 31 December 2025, 201 proceedings were pending — 122 concerning unilateral APAs (61%), and 79 concerning bilateral APAs (39%).* **[Chart 13]**

** The final number may increase as a result of findings concerning the homogeneity of transactions covered by certain applications.*

CHART 10. PROCEEDINGS PENDING AS OF 1 JANUARY 2025

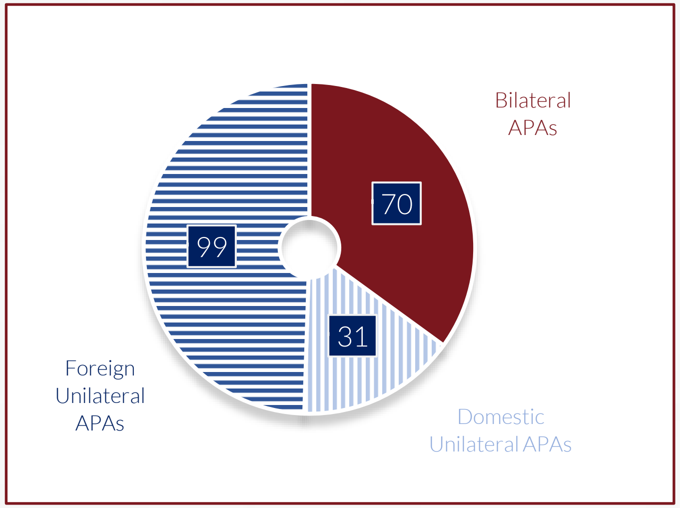


CHART 12. APPLICATIONS SUBMITTED IN 2025 (49)

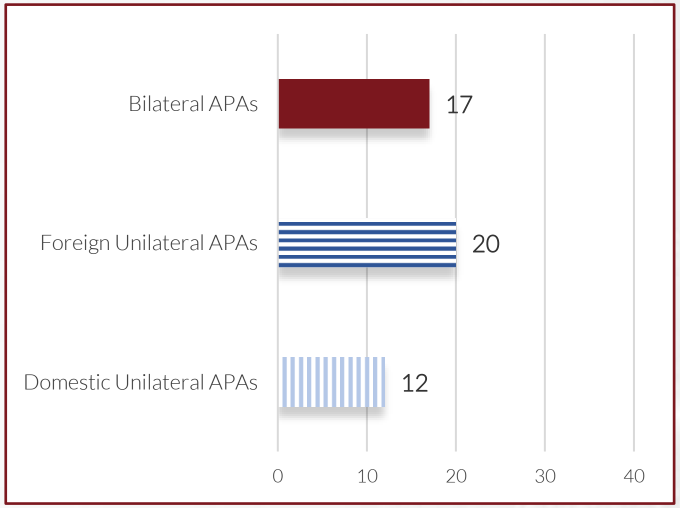


CHART 11. PROCEEDINGS COMPLETED IN 2025 (48)

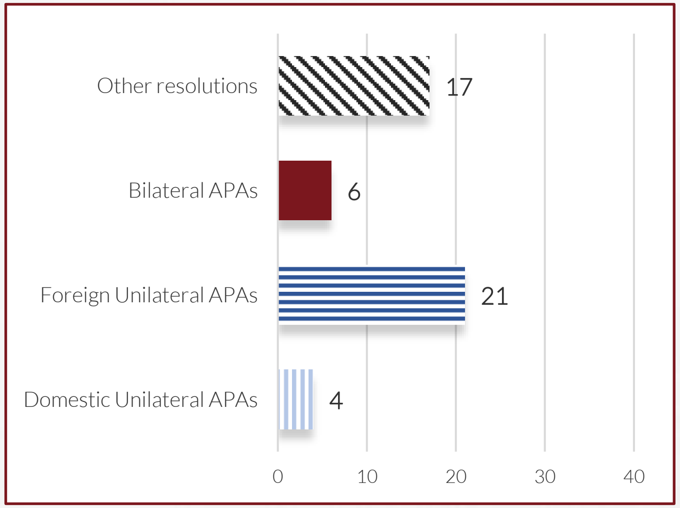
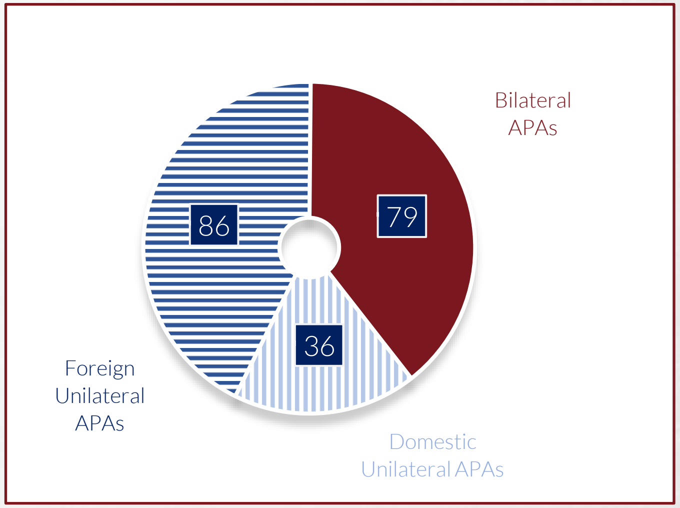


CHART 13. PROCEEDINGS PENDING AS OF 31 DECEMBER 2025



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At the beginning of 2024, 290 proceedings were pending [Chart 14]: 233 concerning unilateral APAs, 56 concerning bilateral APAs and 1 concerning a multilateral APA. These included 21 APA renewal proceedings. 54% of the proceedings pending as of 1 January 2024 concerned applications submitted as a consequence of Article 15e of the CIT Act, of which 99% were applications for unilateral APAs.

In 2024, a record number of 156 proceedings were completed, resulting in the conclusion of 118 APAs. The Head of the NRA issued:

– 115 unilateral agreements, including 10 domestic and 105 foreign;
– 2 bilateral agreements;
– 1 multilateral agreement.

38 proceedings were completed through the issuance of another resolution.* [Chart 15]

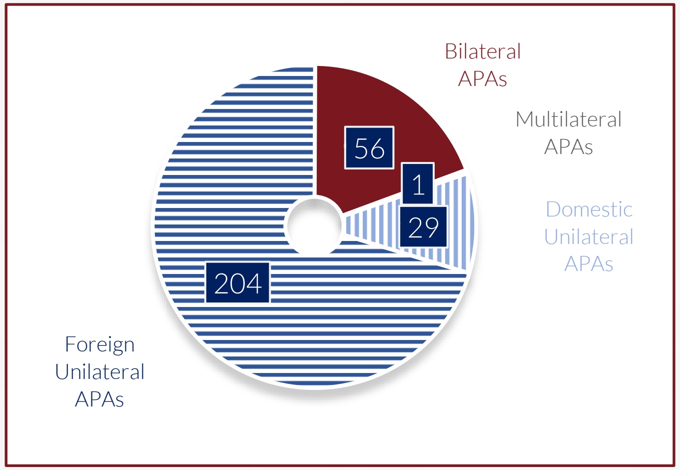
* *Refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings.*

In 2024, the Head of the NRA received 66 APA applications, including 20 applications for bilateral APAs. Of the unilateral applications, 12 concerned domestic APAs and 34 concerned foreign APAs. [Chart 16]

As of 31 December 2024, 200 proceedings were pending — 130 concerning unilateral APAs and 70 concerning bilateral APAs.* [Chart 17]

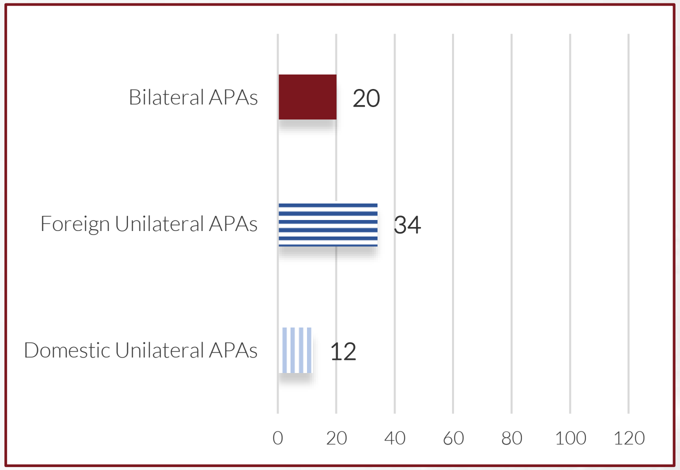
* *The final number may increase as a result of findings concerning the homogeneity of transactions covered by certain applications.*

CHART 14. PROCEEDINGS PENDING AS OF 1 JANUARY 2024



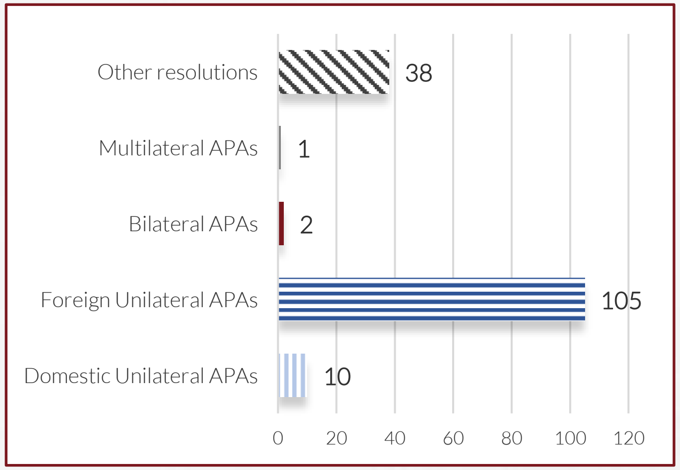
**Changes compared with the data presented in previous editions of the APA Report result from findings concerning the homogeneity of transactions covered by certain applications, changes to applications following Article 88 of the DRM Act, and changes in application classification.*

CHART 16. APPLICATIONS SUBMITTED IN 2024 (66)



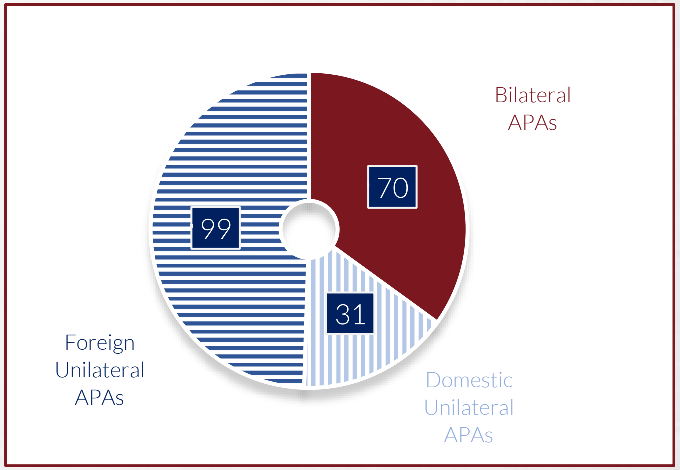
**Changes compared with the data presented in the previous edition of the APA Report result from changes in the classification of applications.*

CHART 15. PROCEEDINGS COMPLETED IN 2024 (156)



**The change compared with the data presented in the previous edition of the APA Report results from updates to the internal registers on which the Report is based.*

CHART 17. PROCEEDINGS PENDING AS OF 31 DECEMBER 2024



**Changes compared with the data presented in previous editions of the APA Report result from findings concerning the homogeneity of transactions covered by certain applications, changes to applications following Article 88 of the DRM Act, and changes in application classification.*

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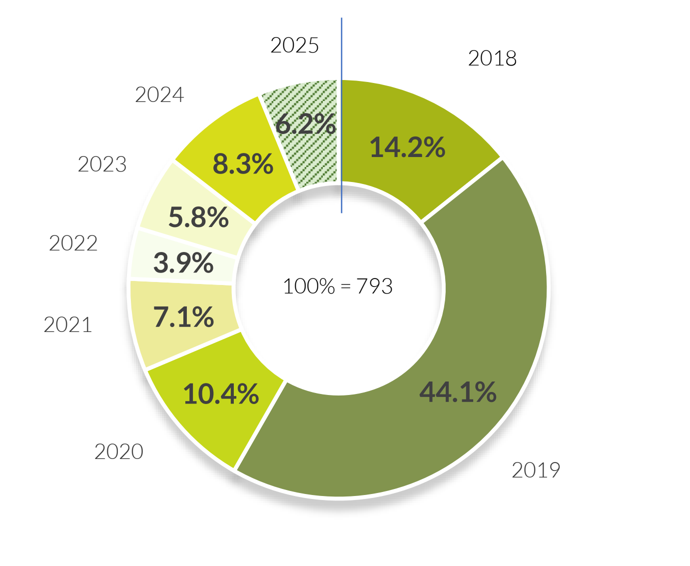
Applications for APA submitted between 2018 and 2025

CHART 18. APA APPLICATIONS BY YEAR



Between 2018 and 2025, nearly 800* applications for APA were submitted, including 81 applications for the renewal of an agreement. More than 40% of all applications submitted during this period were filed in 2019 (350 applications), primarily as a consequence of the introduction of the possibility to exclude transactions covered by an APA from the limit on tax-deductible costs referred to in Article 15e of the CIT Act (302 out of 350 applications). [Chart 18] In total, nearly 460 applications motivated by this entitlement were submitted to the Head of the NRA. Nevertheless, an increase in interest in APAs can also be observed after the repeal of Article 15e of the CIT Act. On average, 99 applications per year were submitted to the Head of the NRA during the analysed period, including an average of 42 applications per year not motivated by the intention to exclude costs from the limit resulting from Article 15e of the CIT Act.

Unilateral APA applications accounted for over 85% of all applications submitted between 2018 and 2025. At the same time, the number of bilateral APA applications submitted during this eight-year period was over four times higher than in the twelve-year period from 2006 to 2017 (117 in 2018–2025 compared with 26 in 2006–2017). Additionally, one multilateral APA application was submitted in 2018. [Charts 19-20]

By the end of 2025, all remaining 23 applications submitted between 2006 and 2017, as well as nearly 75% of the applications submitted between 2018 and 2025, had been processed—either through the issuance of an APA or by another resolution concluding the proceedings**.

** 793 applications as of 30 June 2026. The final number may increase as a result of findings concerning the homogeneity of transactions covered by certain applications.*
*** Refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings.*

CHART 19. APPLICATIONS SUBMITTED BETWEEN 2018 AND 2025 BY TYPE OF APA

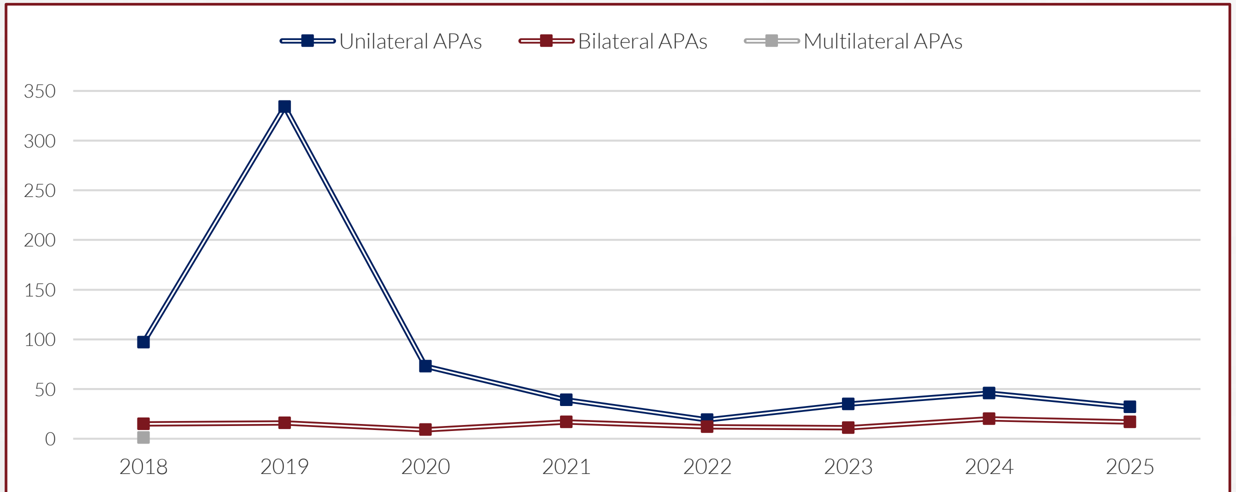
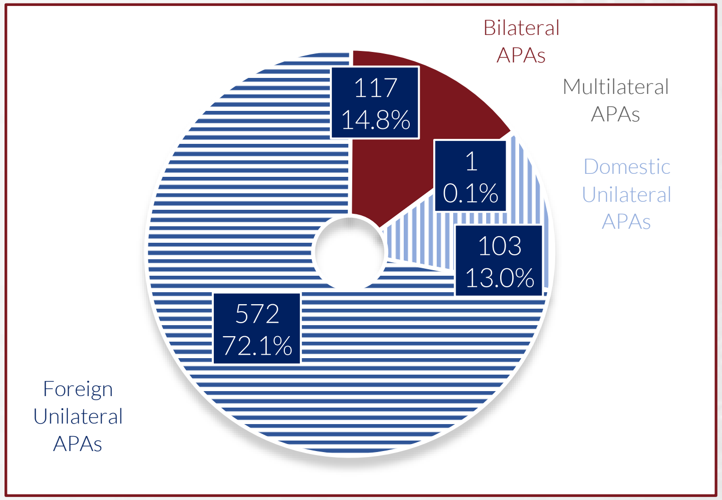


CHART 20. APPLICATIONS SUBMITTED BETWEEN 2018 AND 2025



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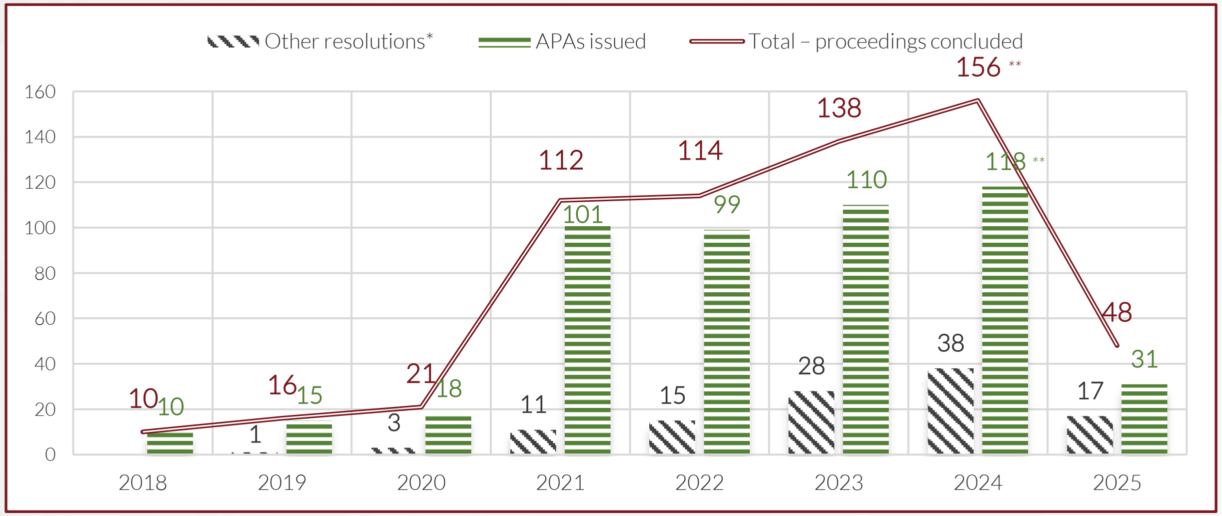
Agreements concluded between 2018 and 2025 (1)

CHART 21. NUMBER OF RESOLUTIONS CONCLUDING APA PROCEEDINGS



** Refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings.*
*** The change compared with the data presented in the previous edition of the APA Report results from updates to the internal registers on which the Report is based.*

Between 2018 and 2025, 615 proceedings initiated by applications for an advance pricing agreement were completed:

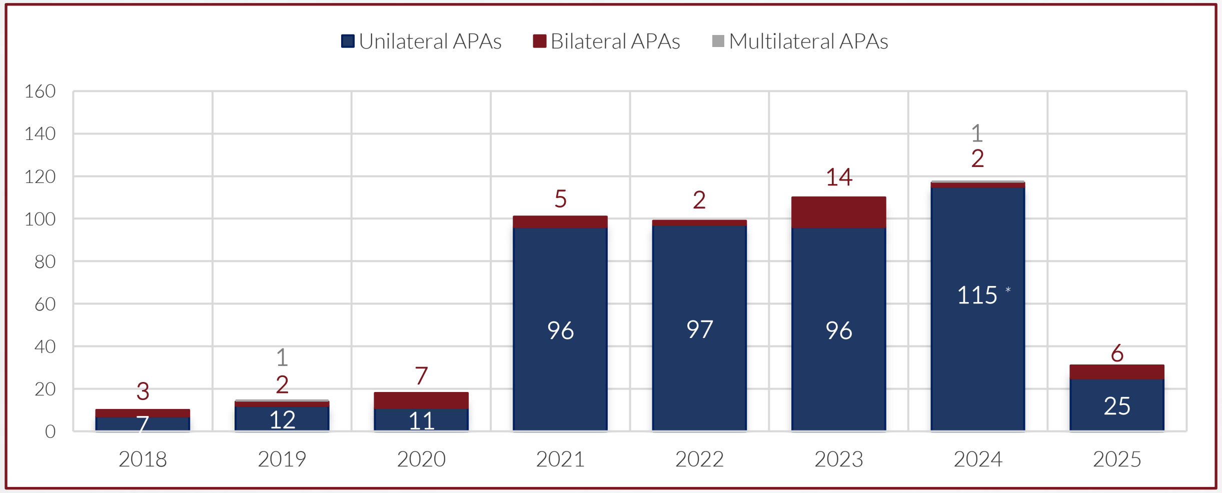
– 23 submitted between 2006 and 2017 and
– 592 submitted between 2018 and 2025.

During these eight years, the Head of the NRA issued 502 APAs (including 42 renewal decisions), and 113 other resolutions concluding the proceedings. [Chart 21]

Unilateral APAs accounted for 91% of APAs issued (459 out of 502 APAs concluded), with foreign unilateral APAs predominating (401). In 2019, the second multilateral APA, and in 2024, the third multilateral APA since the introduction of the APA instrument in Poland, were concluded, each involving five tax administrations. [Charts 22-23]

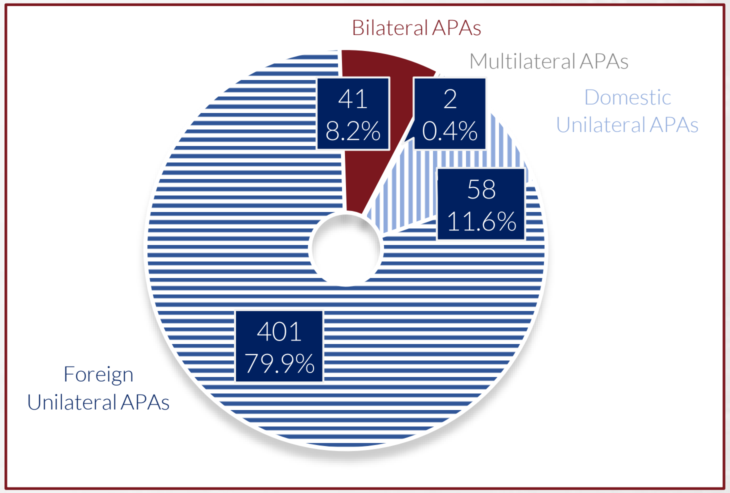
** Refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings.*

CHART 22. AGREEMENTS CONCLUDED BY TYPE OF APA



** The change compared with the data presented in the previous edition of the APA Report results from updates to the internal registers on which the Report is based.*

CHART 23. APAS CONCLUDED BETWEEN 2018 AND 2025 BY TYPE



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During the analysed period, APAs played a significant role in relation to the regulations limiting the deductibility of certain costs for tax purposes, which have been in effect since the beginning of 2018[1] (Article 15e of the CIT Act). According to the legislator, expenses for the specified services and intangible assets were often used to artificially inflate tax-deductible costs, partly due to difficulties in determining their market value and the merely formal transfer of such costs to other entities[2].

As a result, Article 15e of the CIT Act imposed limits on the expenses incurred, directly or indirectly, for the benefit of related parties that could be deducted as tax costs, based on specified categories. However, these limitations did not apply to the costs of services, fees, and charges where the APA covered the correctness of the calculation of remuneration for such services, fees, and charges during the period covered by the APA (Article 15e(15)(1) of the CIT Act, as amended by the DRM Act). Furthermore, according to Article 124 of the DRM Act, for APA applications submitted by 31 December 2019, Article 15e(15) of the CIT Act also applied to the tax year preceding the year in which the application was submitted. **458 applications were submitted to the Head of the NRA on this basis.**

Article 15e of the CIT Act ceased to be in force at the end of 2021. At the same time, if the following conditions are met:

- the APA concerns the purchase of intragroup services,
- the APA excludes the application of the limitations set out in Article 15e of the CIT Act,
- the period covered by the APA starts between 1 January 2018 and 31 December 2021,

such APAs cannot be renewed[3]. Nevertheless, some taxpayers, after the validity period of the issued decision has expired, choose to apply for a new APA regarding transactions that were initially covered by an agreement in relation to Article 15e of the CIT Act.

In relation to Article 15e of the CIT Act, between 2019 and 2025, the Head of the NRA issued:

- **358 APAs, accounting for 71% of all agreements concluded during the period**
- **83 other resolutions concluding APA proceedings[4].**

Foreign unilateral APAs dominated, 310 in total, primarily involving the purchase of services by a domestic entity. Similarly, domestic unilateral APAs issued in relation to this regulation, 41 in total, mainly concerned the purchase of services by a domestic entity. Bilateral APAs issued in relation to Article 15e of the CIT Act, 7 in total, primarily dealt with the use of intangibles by a domestic entity. [Charts 24-25]

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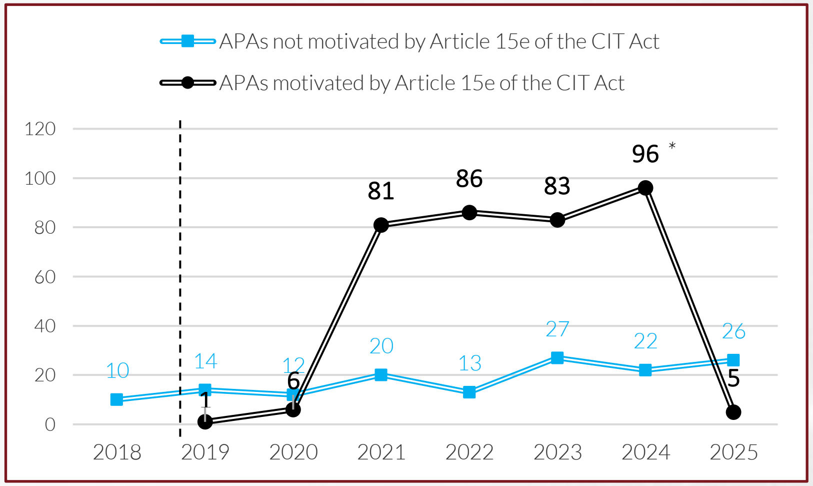
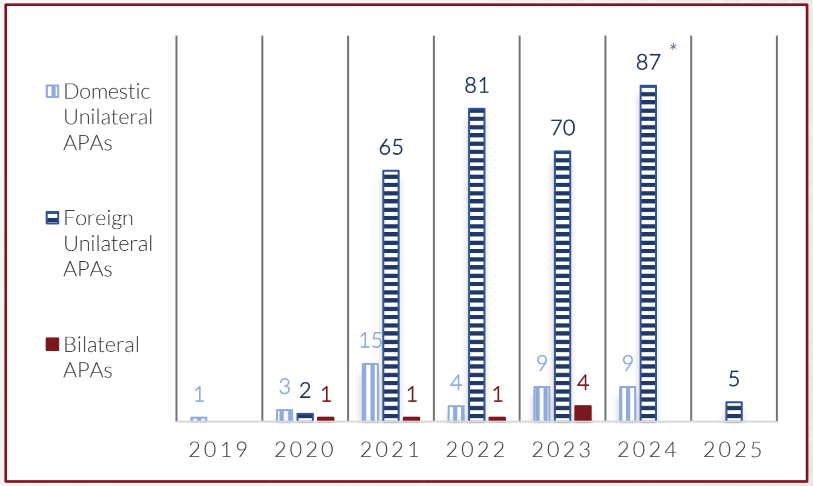
[1] Act of 27 October 2017, amending the Personal Income Tax Act, the Corporate Income Tax Act, and the Lump-Sum Income Tax Act on Certain Revenues Earned by Individuals (Journal of Laws of 2017, item 2175, as amended).
[2] Explanatory memorandum to the draft law amending the Personal Income Tax Act, the Corporate Income Tax Act, and the Lump-Sum Income Tax Act on Certain Revenues Earned by Individuals, Sejm of the 8th term, printed matter no. 1878, p. 29.
[3] Article 60(2) of the Act of 29 October 2021, amending the Personal Income Tax Act, the Corporate Income Tax Act, and certain other acts (Journal of Laws of 2021, item 2105, as amended).
[4] Refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings.

CHART 24. APAS MOTIVATED BY ARTICLE 15E OF THE CIT ACT BY YEAR



** The change compared with the data presented in the previous edition of the APA Report results from updates to the internal registers on which the Report is based.*

CHART 25. APAS MOTIVATED BY ARTICLE 15E OF THE CIT ACT BY TYPE OF AGREEMENT



** The change compared with the data presented in the previous edition of the APA Report results from updates to the internal registers on which the Report is based.*

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Chart 26. Types of transactions covered by APAs issued

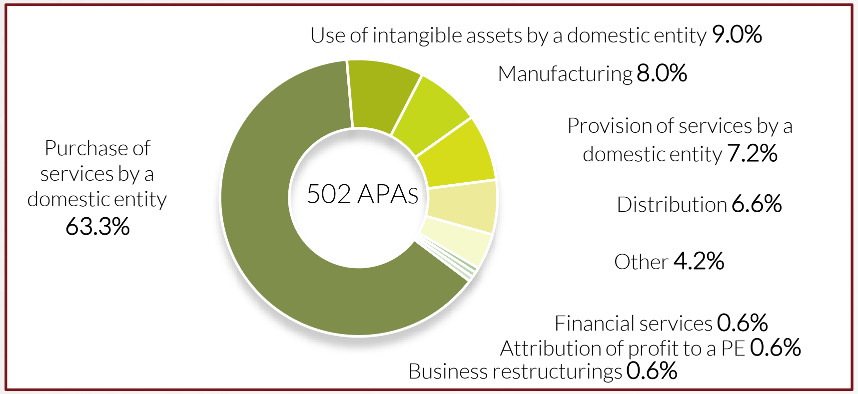


Chart 27. Types of transactions – Non-Article 15e APAs

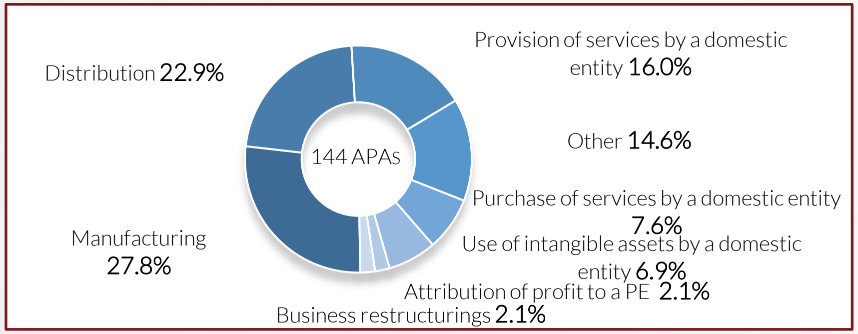


Chart 28. Types of transactions – Article 15e APAs

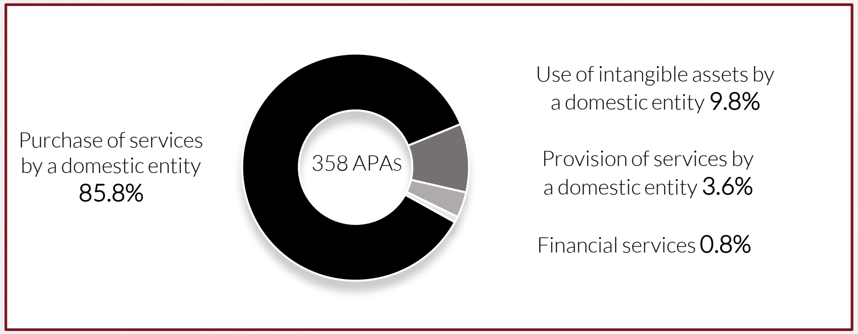
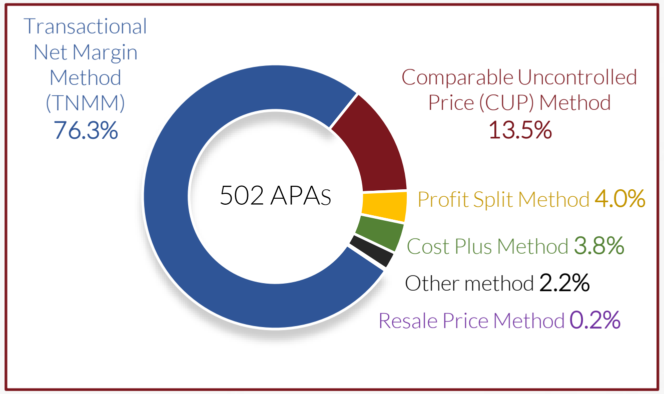


Chart 29. Methods applied in APAs issued



APAs issued between 2018 and 2025 that were not motivated by the intention to exclude transaction-related costs from the limits resulting from Article 15e of the CIT Act primarily covered — similarly to the APAs issued in the period 2006–2017 — manufacturing and distribution transactions, transactions involving the provision of other services by a domestic entity, and transactions classified as "*Other*". APAs concerning these categories accounted for over 80% of the agreements not motivated by Article 15e of the CIT Act concluded during this period.
In contrast, among decisions issued in connection with that provision, transactions involving the purchase of services predominated. [Charts 26-28]

The most frequently applied transfer pricing method was the Transactional Net Margin Method (TNMM), applied, as in the previous period, 2006–2017, in approximately 75% of the decisions issued. [Chart 29]

Further details regarding the types of transactions, methods, and indicators are provided in the later sections of the Report.

✓ 615

proceedings finalised between 2018 and 2025

including:

✓ 502

Advance Pricing Agreements concluded between 2018 and 2025:

459

Unilateral APAs:

- **58 domestic**
- **401 foreign**

41

Bilateral APAs

2

Multilateral APAs

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CHART 30. TYPES OF TRANSACTIONS COVERED BY DOMESTIC UNILATERAL APAs ISSUED BETWEEN 2018 AND 2025 (58 APAs)

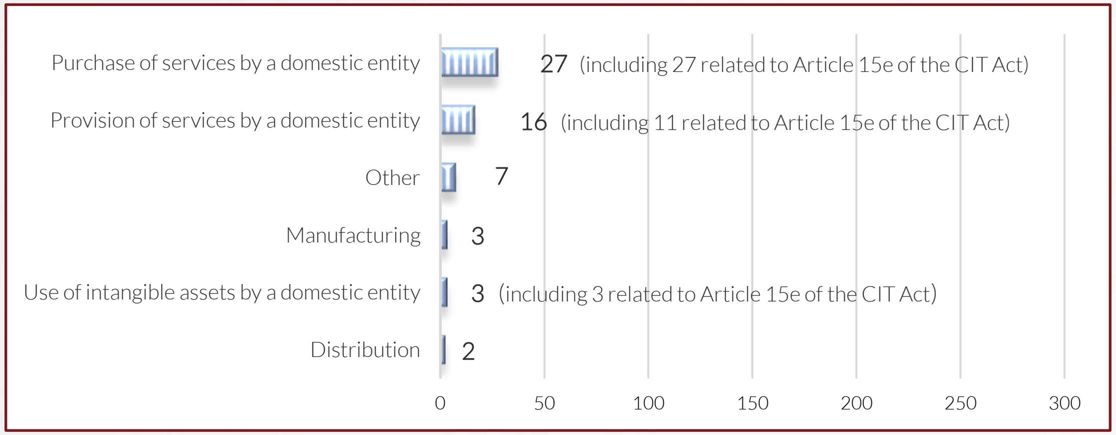
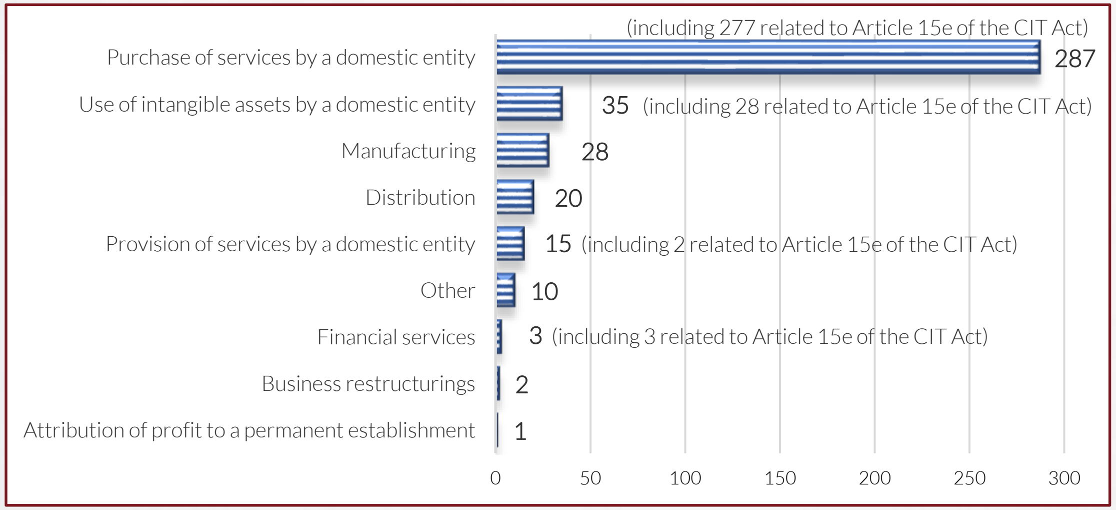


CHART 31. TYPES OF TRANSACTIONS COVERED BY FOREIGN UNILATERAL APAs ISSUED BETWEEN 2018 AND 2025 (401 APAs)



Between 2018 and 2025, 459 unilateral APAs were issued: 58 domestic and 401 foreign.

In connection with Article 15e of the CIT Act, 41 out of 58 domestic unilateral APAs (71%) and 310 out of 401 foreign unilateral APAs (77%) were concluded, resulting in a total of 351 unilateral APAs motivated by the intention to exclude the cost limitation resulting from Article 15e of the CIT Act (76% of all unilateral APAs issued during the analysed period).

Both domestic and foreign unilateral APAs most frequently concerned the purchase of services by a domestic entity (47% and 72% of the respective types of APAs). In the case of domestic unilateral APAs, all agreements related to this type of transaction were issued in connection with Article 15e of the CIT Act. For foreign unilateral APAs, 97% of those involving the purchase of services by a domestic entity were issued in connection with Article 15e of the CIT Act.

Among the remaining (not related to Article 15e) domestic unilateral APAs, the majority covered transactions classified as "*Other*" (7 APAs, mainly joint ventures between related parties), the provision of services by a domestic entity (5 APAs) and those involving the production and use of intangibles by a domestic entity (3 APAs each). [Chart 30] As regards foreign unilateral APAs, the dominant agreements covered manufacturing transactions (28 APAs), distribution transactions (20 APAs) and transactions involving the provision of services by a domestic entity (13 APAs). [Chart 31]

A detailed breakdown of unilateral APAs issued in each year, according to transaction type, is presented on the next page of the Report [Charts 32-39].

Information on the number of domestic and foreign unilateral APAs concluded in each year in relation to Article 15e of the CIT Act is provided on page **49 of the Report** [Chart 25]. The dominant types of transactions covered by the issued APAs are a natural consequence of the provisions of Article 15e of the CIT Act and the increasing number of proceedings finalised under this regulation in subsequent years.

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UNILATERAL APAs 2018–2025
Types of Transactions (2)

CHART 32. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2018

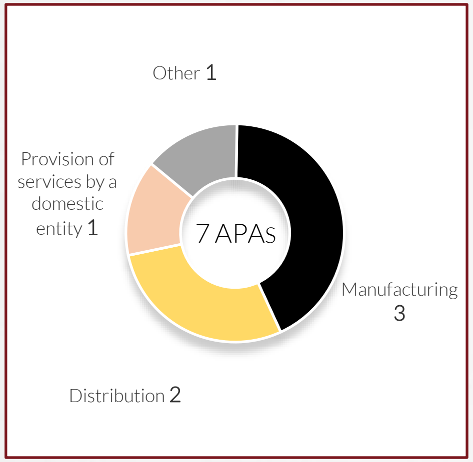


CHART 33. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2019

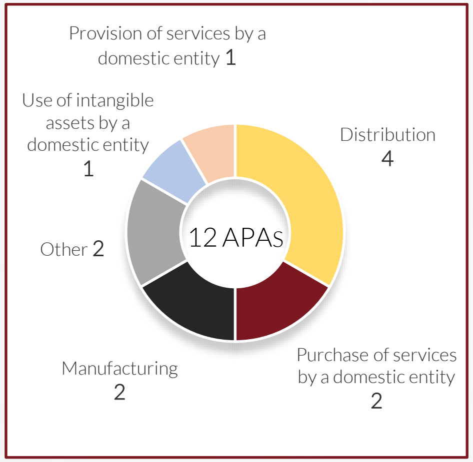


CHART 34. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2020

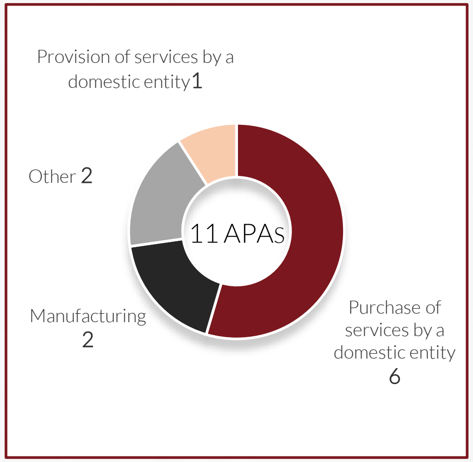


CHART 35. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2021

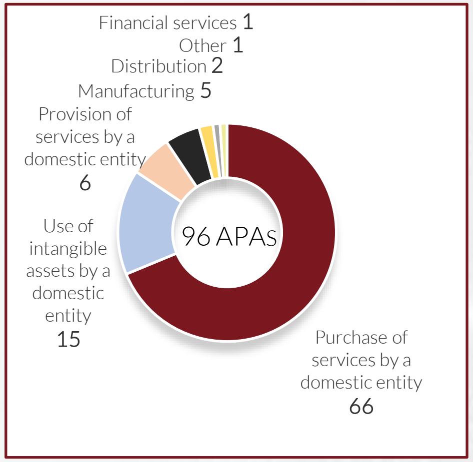


CHART 36. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2022

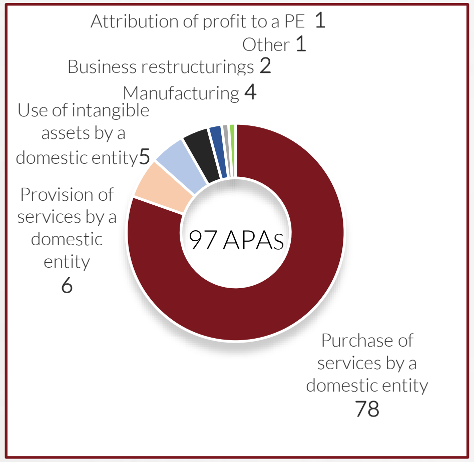


CHART 37. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2023

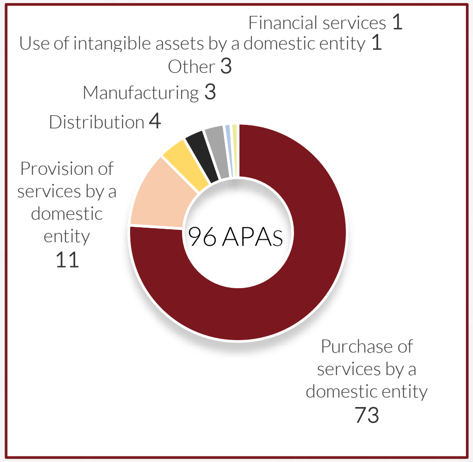
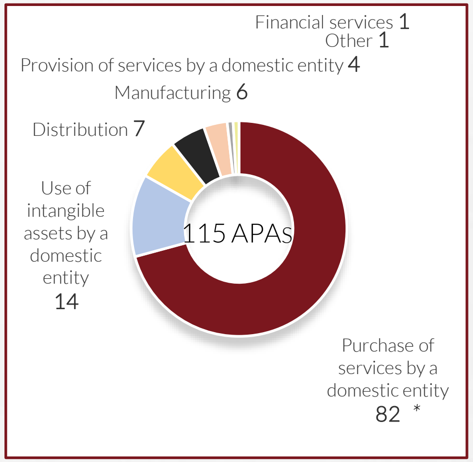
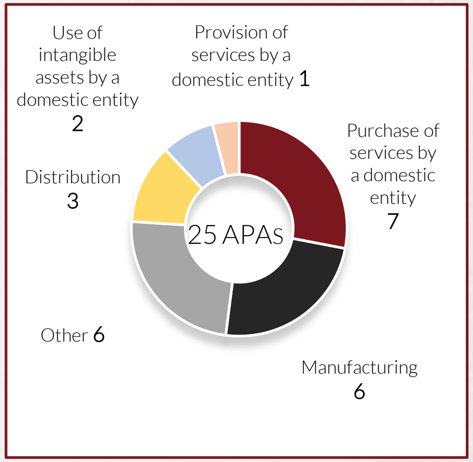


CHART 38. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2024



** The change compared with the data presented in the previous edition of the APA Report results from updates to the internal registers on which the Report is based.*

CHART 39. TYPES OF TRANSACTIONS COVERED BY UNILATERAL APAs ISSUED IN 2025



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UNILATERAL APAs 2018–2025
Methods Applied

The most frequently used method in both domestic and foreign unilateral APAs was the Transactional Net Margin Method (TNMM), applied in 62% and 78% of the decisions issued, respectively. **[Charts 40-41]** This is a result of, on the one hand, the types of transactions covered by the APAs issued (including the small number of transactions where both parties made unique and valuable contributions) and, on the other hand, the structure and requirements regarding the availability of financial data necessary to apply a given method.

In transactions where TNMM was used, the most commonly applied profitability indicator was the operating mark-up — in approximately 86% of the decisions employing TNMM. In the vast majority of APAs issued, it concerned service activities (with APAs confirming in around 64% of service transactions that a 5% mark-up on the cost base reflected the arm's length price). Of the APAs where the operating mark-up was applied, approximately 7% concerned manufacturing activities. In such cases, the indicator's value ranged from 1.1% to 16.7%. The operating margin indicator, applied in approximately 7% of APAs using TNMM, was generally used to value distribution activities, and its value overall (not only for distribution) ranged from 1.0% to 8.0%. Other profitability indicators, such as return on sales and return on assets, were selected in approximately 7% of APAs using TNMM.*

* *The presented ranges of results relate to various factual circumstances and industries in which the business activities are conducted.*

CHART 40. METHODS APPLIED IN DOMESTIC UNILATERAL APAs

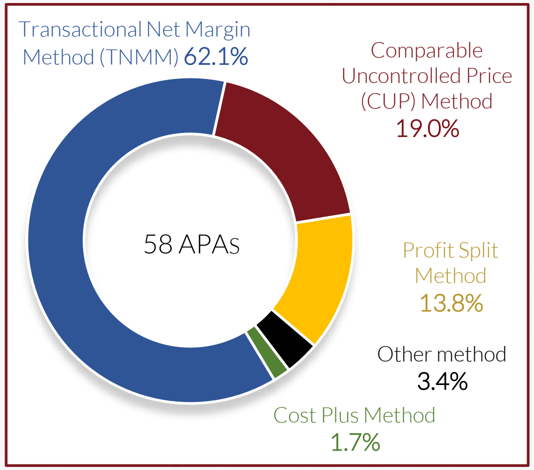


CHART 41. METHODS APPLIED IN FOREIGN UNILATERAL APAs

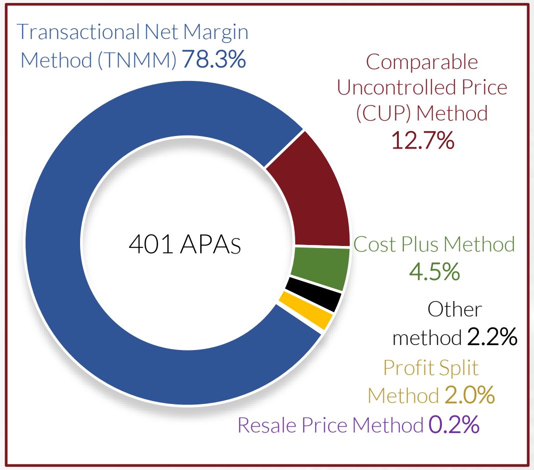
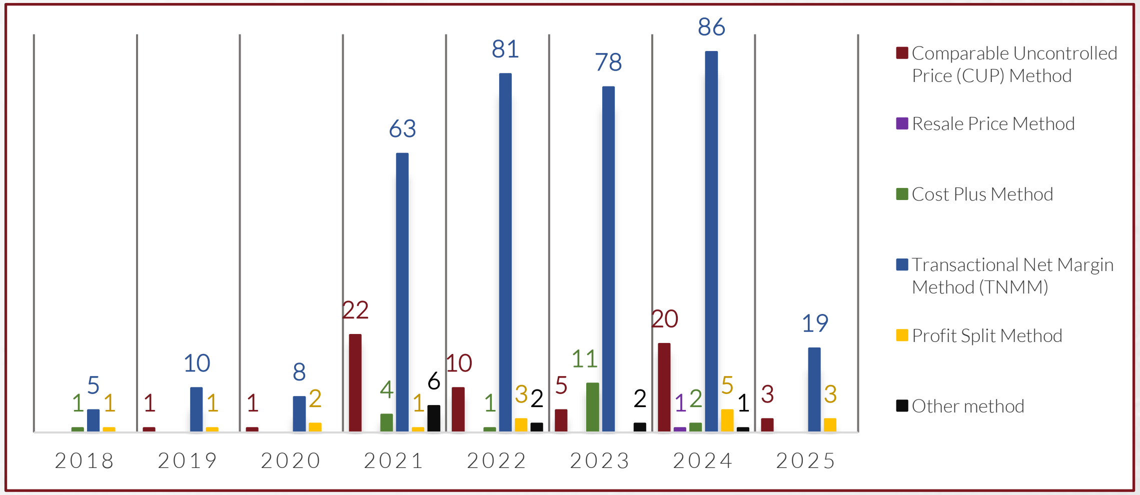
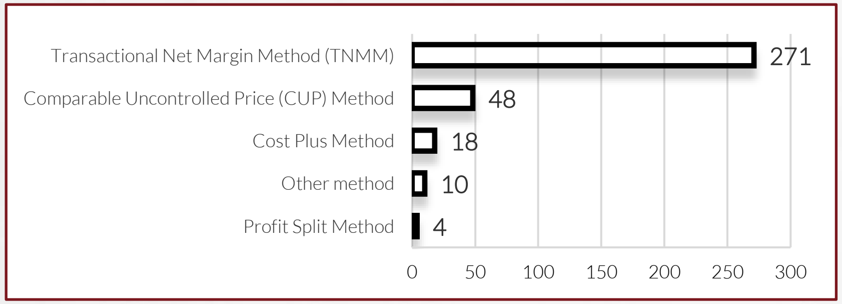


CHART 42. METHODS APPLIED IN UNILATERAL APAs ISSUED IN INDIVIDUAL YEARS 2018-2025 (459 APAs)



** The change compared with the data presented in the previous edition of the APA Report results from updates to the internal registers on which the Report is based.*

CHART 43. METHODS APPLIED IN UNILATERAL APAs MOTIVATED BY ARTICLE 15E OF THE CIT ACT (351 OUT OF 459 APAs)



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BILATERAL and MULTILATERAL APAs 2018–2025
Foreign Tax Administrations

CHART 44. BILATERAL APAS CONCLUDED BETWEEN 2018 AND 2025

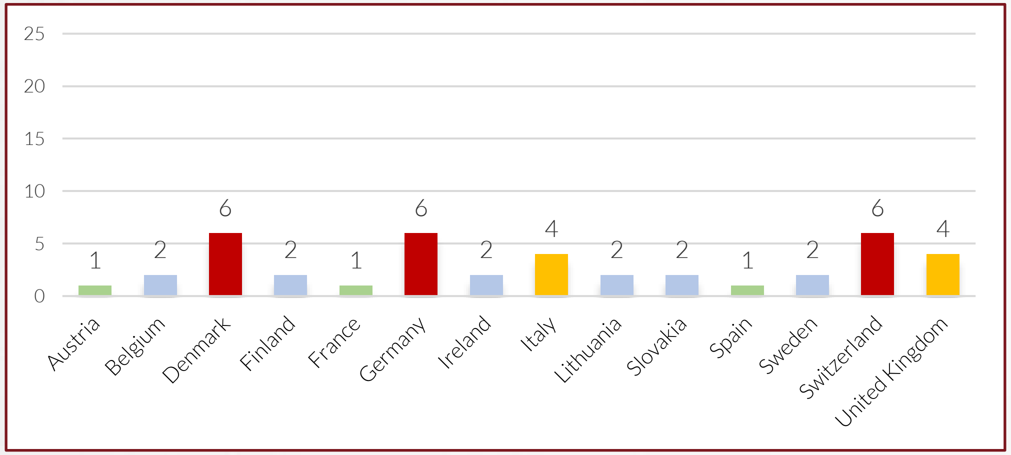
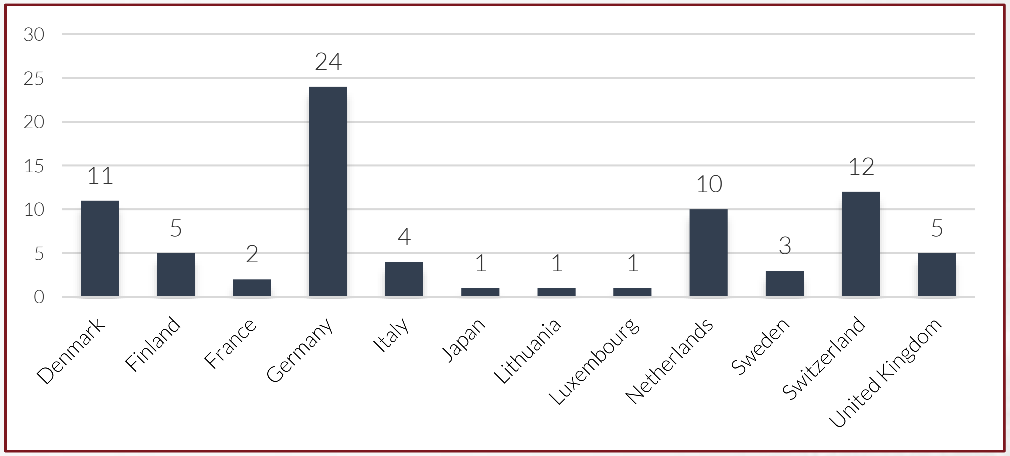


CHART 45. BILATERAL APA PROCEEDINGS PENDING AS OF 31 DECEMBER 2025



**This overview does not include bilateral proceedings conducted on the basis of applications for the conclusion of transfer pricing tax agreements.*

Between 2018 and 2025, 41 bilateral APAs and 2 multilateral APAs were issued. All the agreements concluded were reached with the competent authorities (CAs) of European countries, primarily EU Member States. In particular, the Polish administration used the mutual agreement procedure under double taxation treaties with Denmark, Germany and Switzerland. [Chart 44] In 2025, six bilateral APAs were concluded, and two bilateral APA proceedings were completed through the issuance of another resolution.

As of 1 January 2026, 79 bilateral APA proceedings were pending, mainly involving the CAs of Germany (30% of pending bilateral cases), Switzerland (15%), Denmark (14%) and the Netherlands (13%). [Chart 45]

Bilateral and multilateral APAs involve reaching an agreement, respectively, with the tax authority or tax authorities competent for the foreign entities related to the domestic entity. The consequence of such agreements, in addition to protection against challenges to the correctness of the transfer prices applied, is therefore the reduction of the risk of double taxation. The OECD TP Guidelines recommend negotiating bilateral and multilateral agreements involving the tax authorities of other countries. Polish regulations do not provide for any preferences or restrictions in this respect, leaving taxpayers free to choose the level of protection and comfort they expect. An applicant seeking to obtain an APA should bear in mind that the number of tax jurisdictions involved in an agreement affects the actual time within which the application may be examined. The specific nature of the work of a given administration, its willingness to enter into negotiations and the ability of a given CA to organise frequent negotiation meetings also remain important. Bilateral and multilateral proceedings therefore usually concern transactions with high tax risk resulting from their high value and complexity, such as the valuation of an entity's entire business, business restructurings, or transactions for which the profit split method was considered appropriate.

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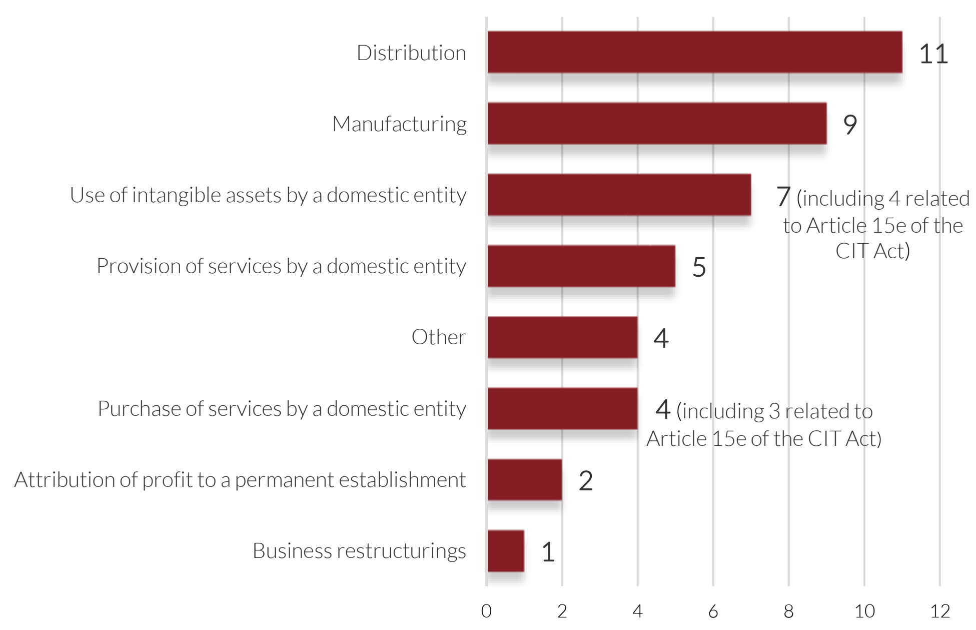
CHART 46. TRANSACTIONS COVERED BY BILATERAL AND MULTILATERAL APAs (43 APAs)



Between 2018 and 2025, 41 bilateral APAs and 2 multilateral APAs were concluded. 7 out of 41 bilateral agreements were issued in connection with Article 15e of the CIT Act (17%). Bilateral APAs aimed at excluding transaction costs from the limits set by Article 15e mainly involved transactions where domestic entities used intangible assets (such as purchasing licences or paying franchise fees), as well as the purchase of services by domestic entities (support services, IT services). Among the remaining 34 bilateral APAs, the agreements primarily covered transactions involving manufacturing and distribution (20 APAs in total). [Chart 46]

Between 2006 and 2017, a twelve-year period, 28 applications for bilateral or multilateral APAs were submitted. By contrast, during the analysed eight-year period (2018–2025) 118 such applications were filed. This indicates the growing importance of bilateral and multilateral procedures. The OECD emphasises the significance of agreements involving more than one jurisdiction, as they offer greater legal certainty by eliminating double taxation. A potential limitation of unilateral APAs concerning foreign entities may be the lack of assurance that agreements with the Polish tax authority will be recognised by the tax administration of the foreign entity's jurisdiction. In 2025, the Head of the NRA received 17 applications for bilateral APAs. Interest in bilateral and multilateral agreements is expected to continue growing. [Charts 47-48]

A detailed breakdown of bilateral and multilateral APAs issued in individual years by type of transaction is presented on the next page of the Report. [Charts 49-56]

CHART 47. BILATERAL AND MULTILATERAL APA APPLICATIONS SUBMITTED, 2006-2025

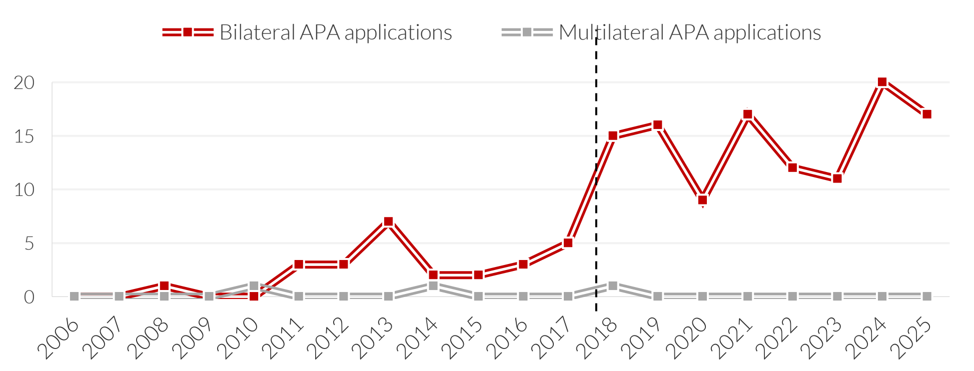
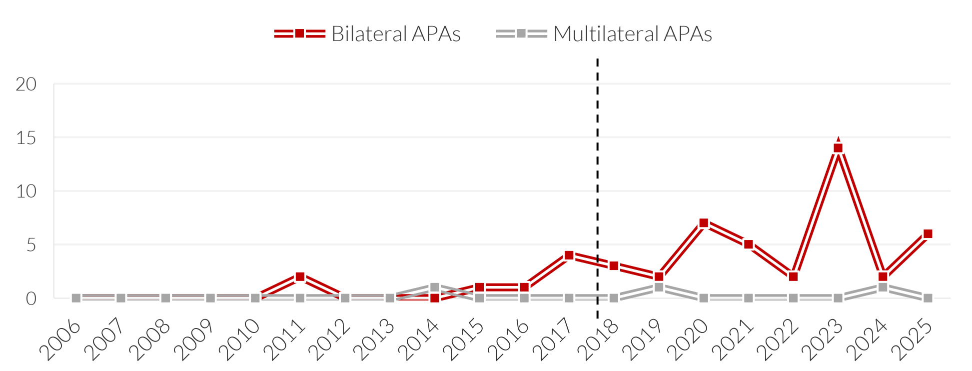


CHART 48. BILATERAL AND MULTILATERAL APAs ISSUED, 2006-2025



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Between 2018 and 2025, the Head of the NRA issued:

- 41 bilateral APAs
- 2 multilateral APAs

BILATERAL and MULTILATERAL APAs 2018–2025
Types of Transactions (2)

CHART 49. TRANSACTIONS COVERED BY BILATERAL APAS ISSUED IN 2018

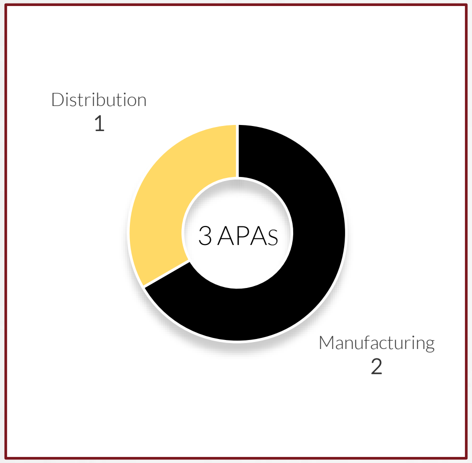


CHART 50. TRANSACTIONS COVERED BY BILATERAL AND MULTILATERAL APAS ISSUED IN 2019

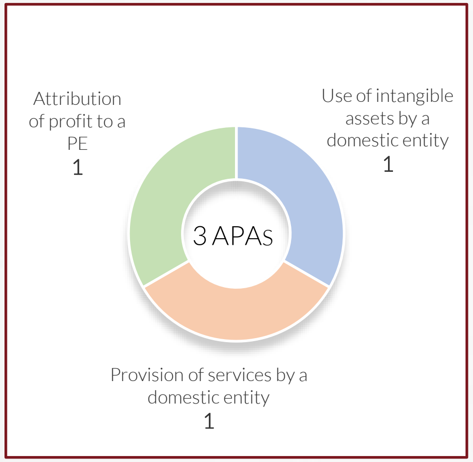


CHART 51. TRANSACTIONS COVERED BY BILATERAL APAS ISSUED IN 2020

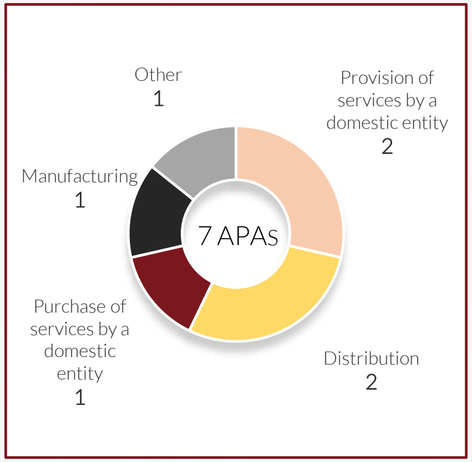


CHART 52. TRANSACTIONS COVERED BY BILATERAL APAS ISSUED IN 2021

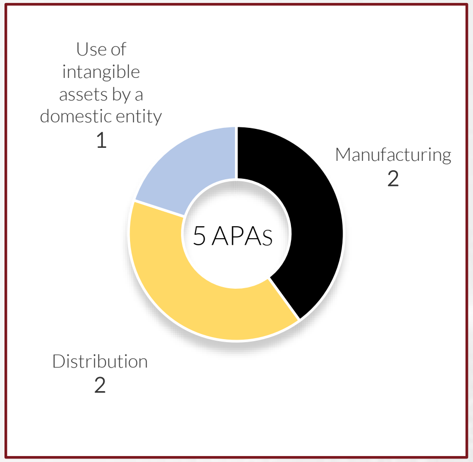


CHART 53. TRANSACTIONS COVERED BY BILATERAL APAS ISSUED IN 2022

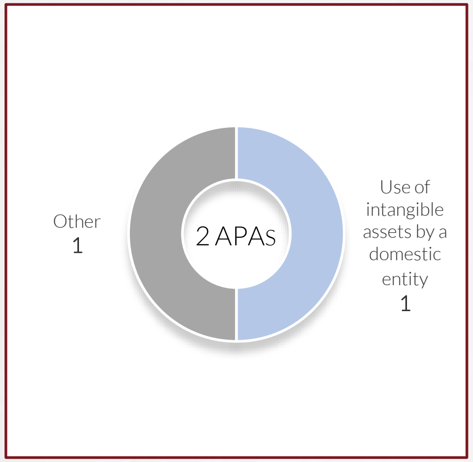


CHART 54. TRANSACTIONS COVERED BY BILATERAL APAS ISSUED IN 2023

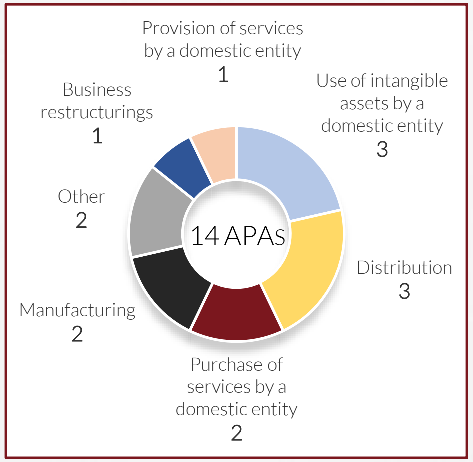


CHART 55. TRANSACTIONS COVERED BY BILATERAL AND MULTILATERAL APAS ISSUED IN 2024

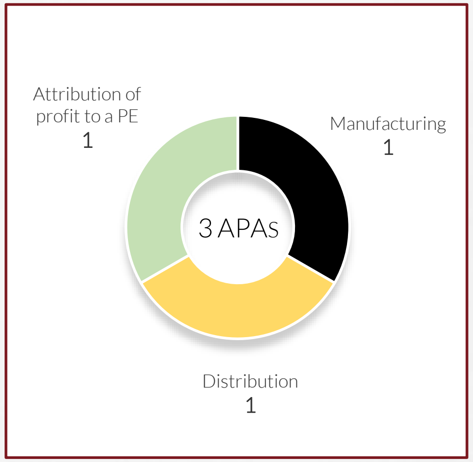
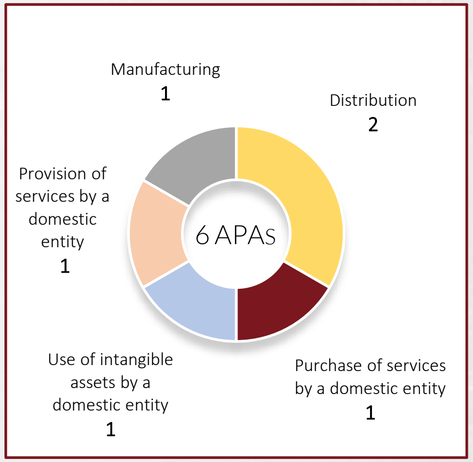


CHART 56. TRANSACTIONS COVERED BY BILATERAL APAS ISSUED IN 2025



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BILATERAL and MULTILATERAL APAs 2018–2025
Methods Applied

CHART 57. METHODS APPLIED IN BILATERAL AND MULTILATERAL APAS ISSUED IN INDIVIDUAL YEARS 2018-2025 (43 APAS)

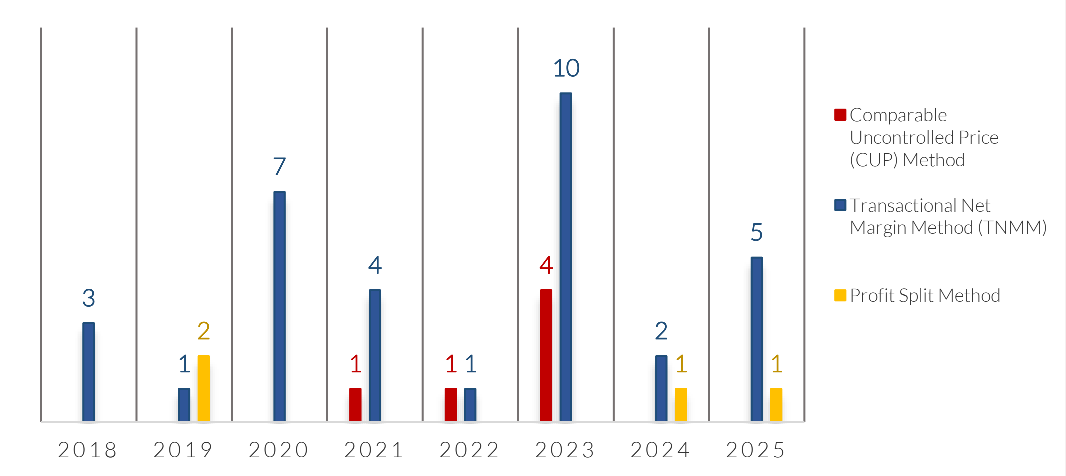


CHART 58. METHODS APPLIED IN BILATERAL AND MULTILATERAL APAS MOTIVATED AND NOT MOTIVATED BY ARTICLE 15E OF THE CIT ACT

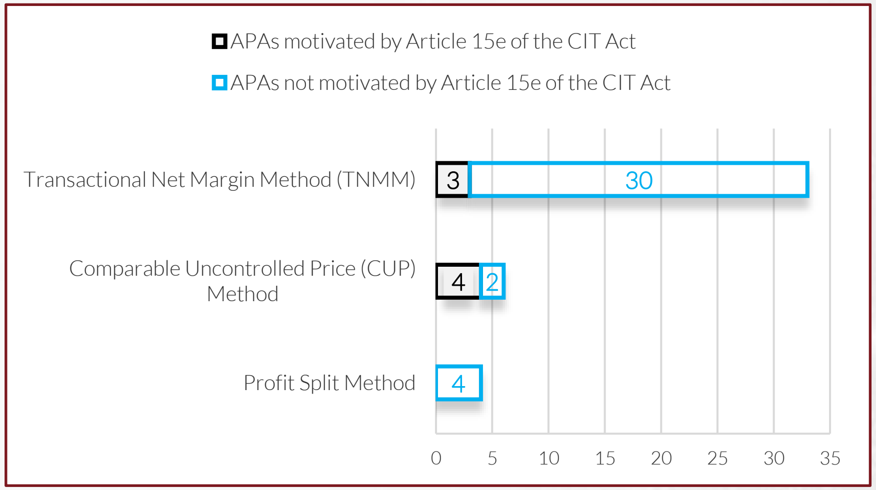
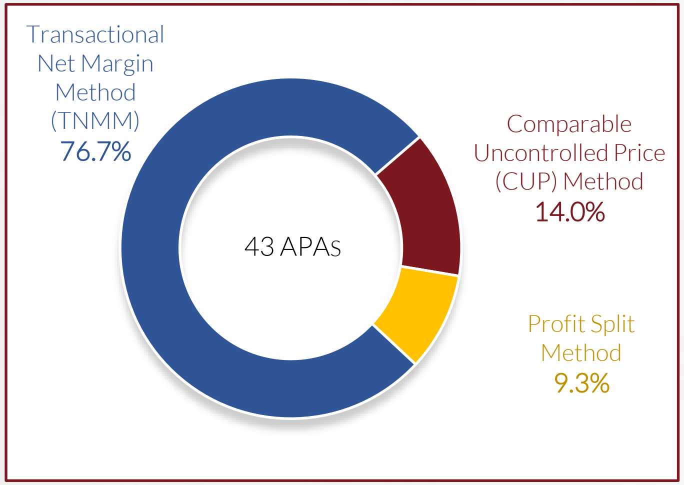


CHART 59. METHODS APPLIED IN BILATERAL AND MULTILATERAL APAS ISSUED



The most commonly used method in the bilateral APAs concluded between 2018 and 2025 (41 decisions in total), similarly to unilateral APAs, was the Transactional Net Margin Method (TNMM), applied in 80% of the bilateral APAs issued (in domestic and foreign unilateral APAs, TNMM was applied in 62% and 78% of the decisions issued, respectively). In the case of multilateral APAs, the applied method was the profit split method.

The use of a specific method in individual years corresponds to the types of transactions covered by the bilateral and multilateral APAs issued so far, as well as the requirements regarding the availability of financial data necessary to apply the method. **[Charts 57–59]**

In transactions where TNMM was used, the most frequently applied profitability indicator was the operating mark-up (48% of APAs using TNMM). This indicator was used for the valuation of manufacturing activities (in this case, the results ranged from 2.0% to 15.0%) and service activities (3.0% to 15.0%). The operating margin indicator was generally used to value distribution activities, and its results for all cases ranged from 1.5% to 5.7% (the operating margin was applied in approximately 24% of APAs using TNMM). Other profitability indicators included, in particular, return on sales and return on assets.*

The presented ranges of results relate to various factual circumstances and industries in which the business activities are conducted.

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20 Years of APAs in Poland

a twenty-year period
of operation of Advance Pricing
Agreements in Poland, 2006–2025

2006

20 YEARS OF APAs in Poland

2025

- The Head of the National Revenue Administration also reviewed requests for the amendment or revocation of issued APAs, applications for transfer pricing tax agreements (*Cooperative Compliance Programme*), conducted proceedings regarding the expiry of decisions, and assessed changes reported by the addressees of existing APAs in terms of their materiality and impact on the agreements concluded. Furthermore, several hundred pre-filing meetings were organised.

- Considering the entire twenty-year period during which the APA procedure has been available in Poland (2006-2025) - irrespective of Article 15e of the CIT Act, which was the main, though not the only, driver behind applications, particularly in 2018-2020 - a clear increase in the use and significance of APAs can be observed. Taxpayers have increasingly relied on this instrument as a form of traditional protection and preferential treatment within the framework of transfer pricing regulations.

- In the first ten years following the introduction of the possibility for Polish taxpayers to conclude APAs (2006-2015), 68 applications were submitted in total. In the following decade, covering 2016-2025, 815 applications were filed, including 357 applications not related to the cost limitation under Article 15e of the CIT Act.

- Between 2006 and 2025, the Minister of Finance/Head of the National Revenue Administration received 96 applications for the extension or renewal of APAs. This confirms the usefulness of Advance Pricing Agreements as a safeguarding instrument in the case of recurring transactions (APAs excluding the application of the limitation referred to in Article 15e of the CIT Act cannot be renewed - *see p. 49 of the Report*). The possibility of extending the effects of an APA to subsequent periods is also associated with a lower fee — amounting to half of the fee applicable to a new APA application (*see p. 23 of the Report*).

- The expansion and continued professionalisation of the APA Team in the Department for Large Business (an organisational division of the NRA within the Ministry of Finance), increased access to appropriate tools and continuous improvement of internal procedures made it possible to complete nearly 570 proceedings over the last five years (2021-2025), including the conclusion of 459 APAs, almost 100 per year on average. It should be noted that the final timeline for completing a given proceeding is also influenced by the engagement of our partners, the applicants, as well as foreign tax administrations when required by a given type of APA.

✓ **883**
APA applications

✓ **682**
completed APA proceedings
(77%)

✓ **557**
APAs concluded
(82% of completed proceedings)

✓ **201**
proceedings pending as of 1 January 2026

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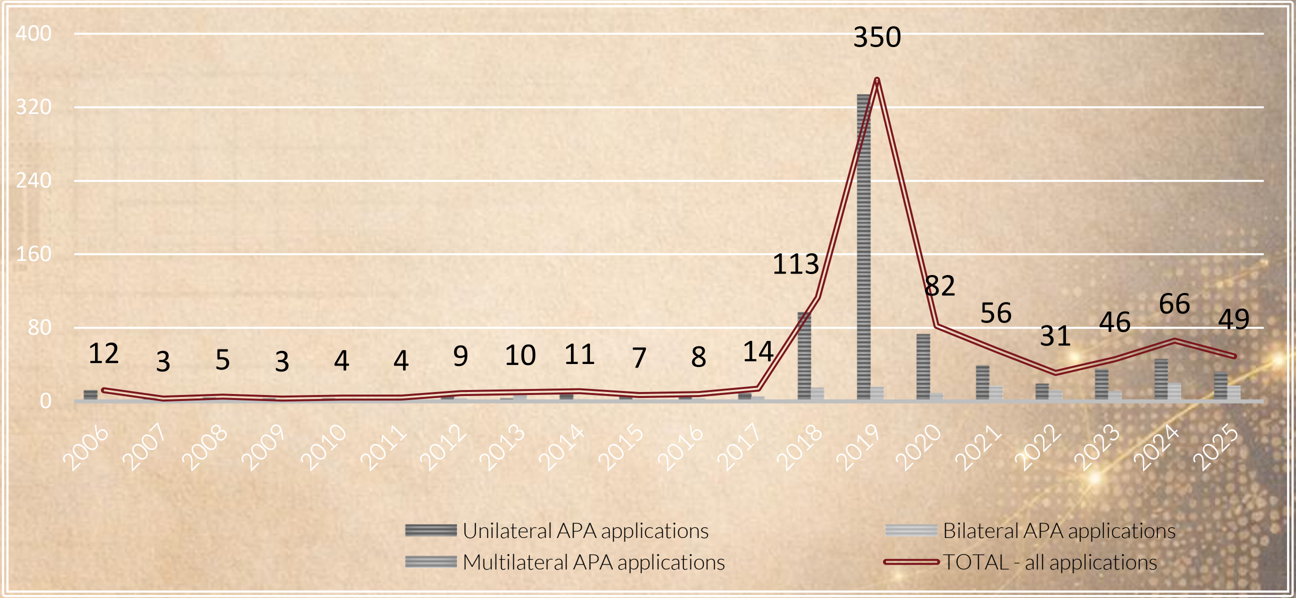
2006

20
YEARS OF
APAs
in Poland

2025

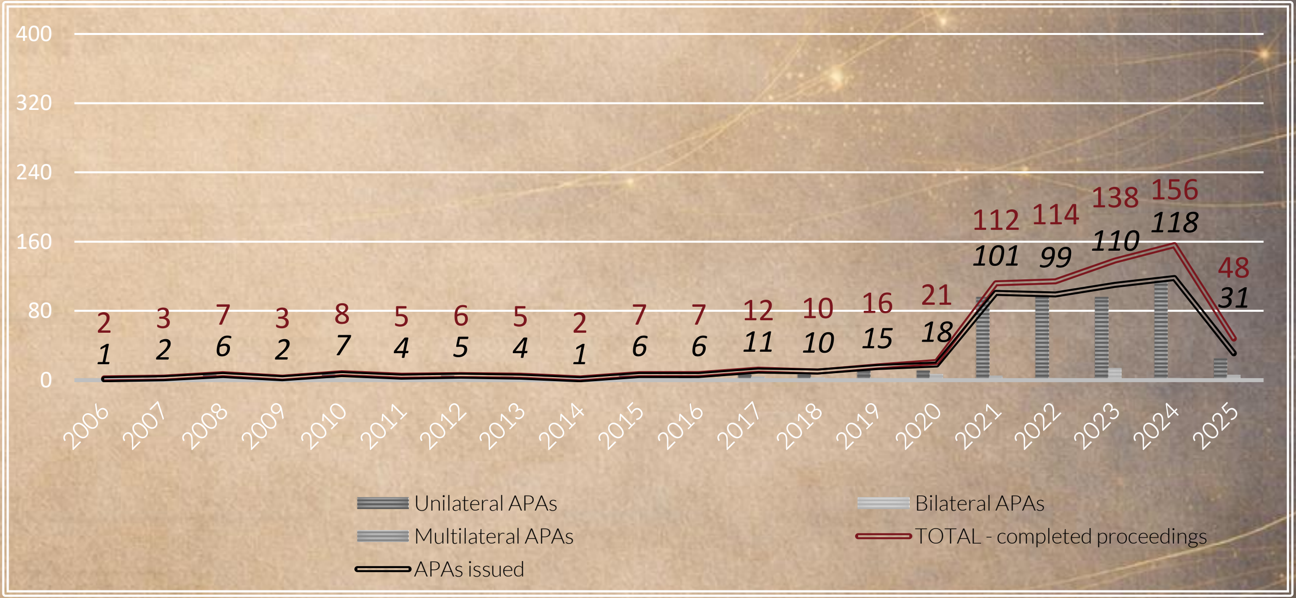
CHART 60. APA APPLICATIONS SUBMITTED BETWEEN 2006 AND 2025



In 2006-2025
883
APA applications were submitted

737 unilateral
143 bilateral
3 multilateral

CHART 61. APA PROCEEDINGS COMPLETED BETWEEN 2006 AND 2025



In 2006-2025
682
APA proceedings were completed, including
557
APAs issued

505 unilateral
49 bilateral
3 multilateral

* *__TOTAL – completed proceedings__, i.e., APAs issued and other resolutions concluding proceedings in a given year (refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings).*

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2006

20 YEARS OF APAs in Poland

2025

In 2006-2025

425

APA applications not motivated by Article 15e were submitted

288 unilateral
134 bilateral
3 multilateral

In 2006-2025

241

applications not motivated by Article 15e were processed,

including

199

APAs issued

Chart 62. APA applications not motivated by Article 15e of the CIT Act

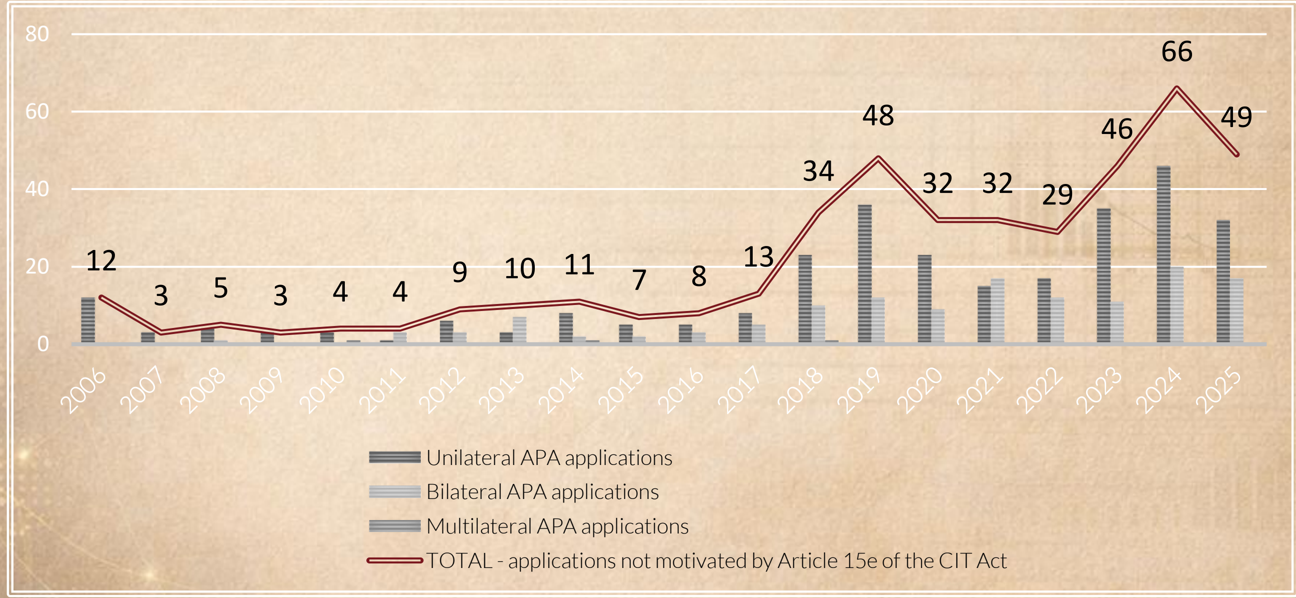
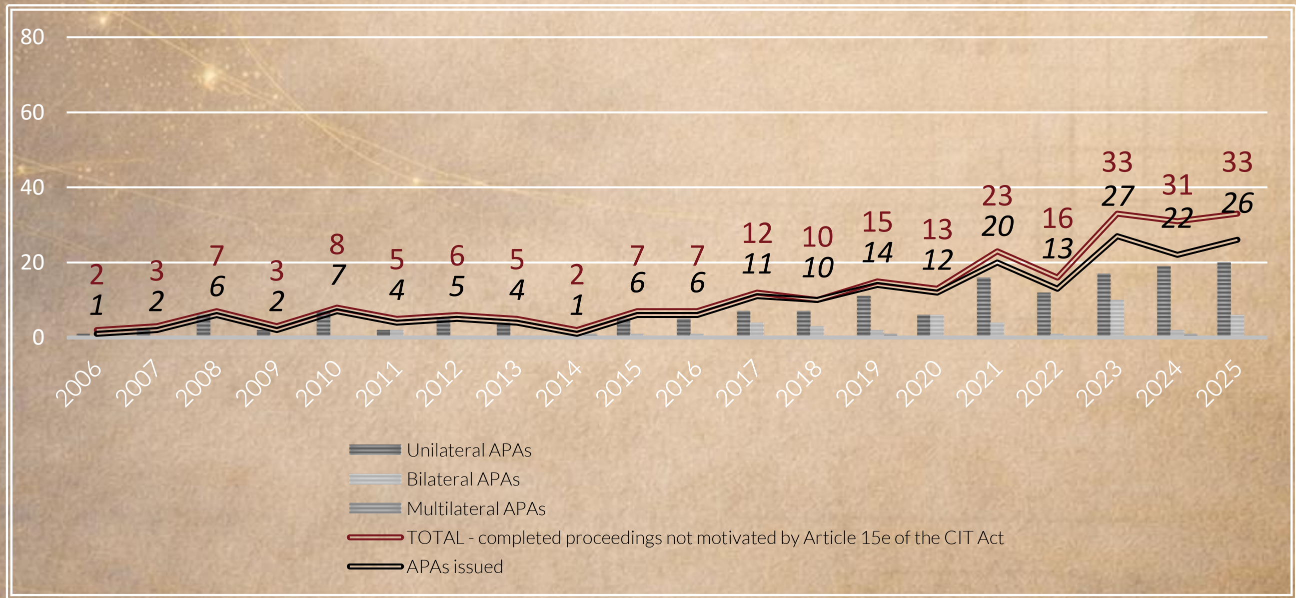


Chart 63. APA proceedings completed - applications not motivated by Article 15e of the CIT Act



** **TOTAL – completed proceedings**, i.e., APAs issued and other resolutions concluding proceedings in a given year (Refusal to conclude an APA, discontinuance of proceedings, leaving the application without consideration, refusal to initiate proceedings).*

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2006

20 YEARS OF APAs in Poland

2025

In 2006-2025

199

APAs were issued based on applications not motivated by Article 15e

38 in 2006-2015
161 in 2016-2025

154 unilateral
42 bilateral
3 multilateral

CHART 64. APAs ISSUED BETWEEN 2006 AND 2025 BASED ON APPLICATIONS NOT MOTIVATED BY ARTICLE 15E OF THE CIT ACT - TYPES OF TRANSACTIONS

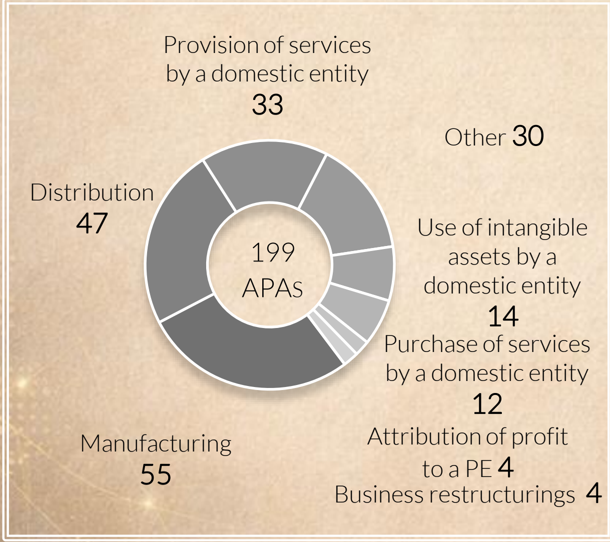


CHART 65. APAs ISSUED BETWEEN 2006 AND 2025 BASED ON APPLICATIONS NOT MOTIVATED BY ARTICLE 15E OF THE CIT ACT - METHODS APPLIED

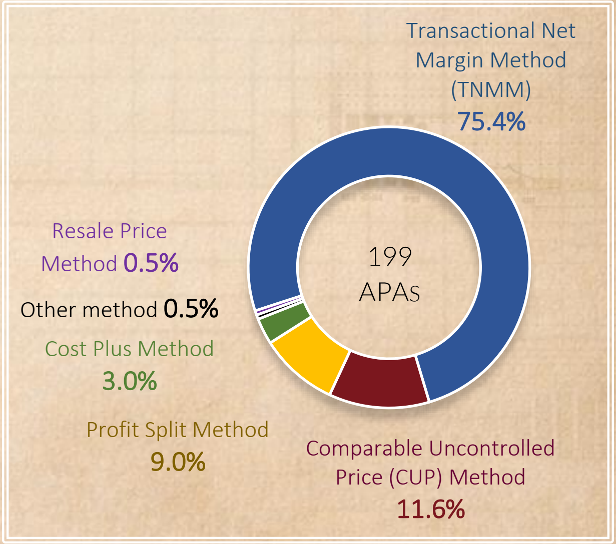
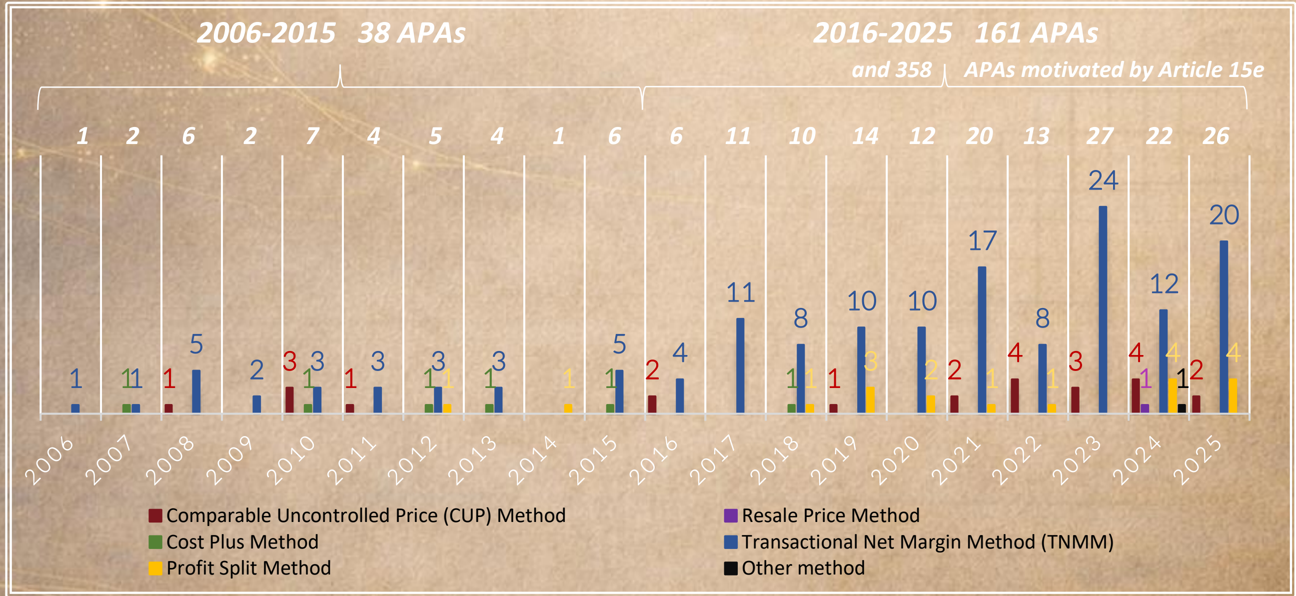


CHART 66. APAs NOT MOTIVATED BY ARTICLE 15E OF THE CIT ACT - METHODS APPLIED OVER TIME



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LIST OF ABBREVIATIONS

- **DRM Act** – the Act of 16 October 2019 on the resolution of double taxation disputes and the conclusion of advance pricing agreements (Journal of Laws of 2023, item 948)
- **CIT Act** – the Act of 15 February 1992 on corporate income tax (Journal of Laws of 2026, item 554, as amended)
- **PIT Act** – the Act of 26 July 1991 on personal income tax (Journal of Laws of 2026, item 592, as amended)
- **Tax Ordinance** – the Act of 29 August 1997 - Tax Ordinance (Journal of Laws of 2026, item 622)
- **APA** – Advance Pricing Agreement, in accordance with the DRM Act – a decision confirming that the transfer price in a controlled transaction has been established under conditions that would have been agreed upon between unrelated entities (Article 81(1))
- **Unilateral APA** – an agreement concluded between the taxpayer and the Head of the National Revenue Administration, covering domestic unilateral APAs and foreign unilateral APAs (see Article 86 of the DRM Act)
- **Domestic Unilateral APA** – a unilateral agreement concerning a controlled transaction conducted exclusively between domestic related entities (see Article 86 of the DRM Act)
- **Foreign Unilateral APA** – a unilateral agreement concerning a controlled transaction between a domestic related entity and a foreign related entity, in cases where the domestic related entity has not requested an agreement with the foreign competent authority (see Article 86 of the DRM Act)
- **Bilateral APA** – an agreement concerning a controlled transaction between a domestic related entity and a foreign related entity, concluded at the request of the domestic entity with the participation of the tax administration competent for the foreign entity related to the applicant (see Article 87 of the DRM Act)
- **Multilateral APA** – an agreement concerning a controlled transaction between a domestic related entity and foreign related entities, concluded at the request of the domestic entity with the participation of the tax administrations competent for the foreign entities related to the applicant (see Article 87 of the DRM Act)
- **APA Extension/Renewal** – extension of the validity period (until the end of 2015) or renewal (from 2016, in accordance with the terminology adopted in the relevant regulations) of an APA for another period under the conditions specified in the repealed Article 20i of the Tax Ordinance or the currently applicable Article 95 of the DRM Act
- **CA** – Competent Authority, i.e. the tax authority responsible for issuing advance pricing agreements for a foreign related entity
- **MNE** – Multinational Enterprise
- **TNMM** – Transactional Net Margin Method
- **NRA** – National Revenue Administration (*Krajowa Administracja Skarbowa*)
- **DLB** – Department for Large Business (*Departament Kluczowych Podmiotów*, an organisational division of the NRA within the Ministry of Finance)
- **IOTA** – Intra-European Organisation of Tax Administrations
- **JTPF** – Joint Transfer Pricing Forum
- **OECD** – Organisation for Economic Co-operation and Development
- **OECD TP Guidelines** – OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations, 2022

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