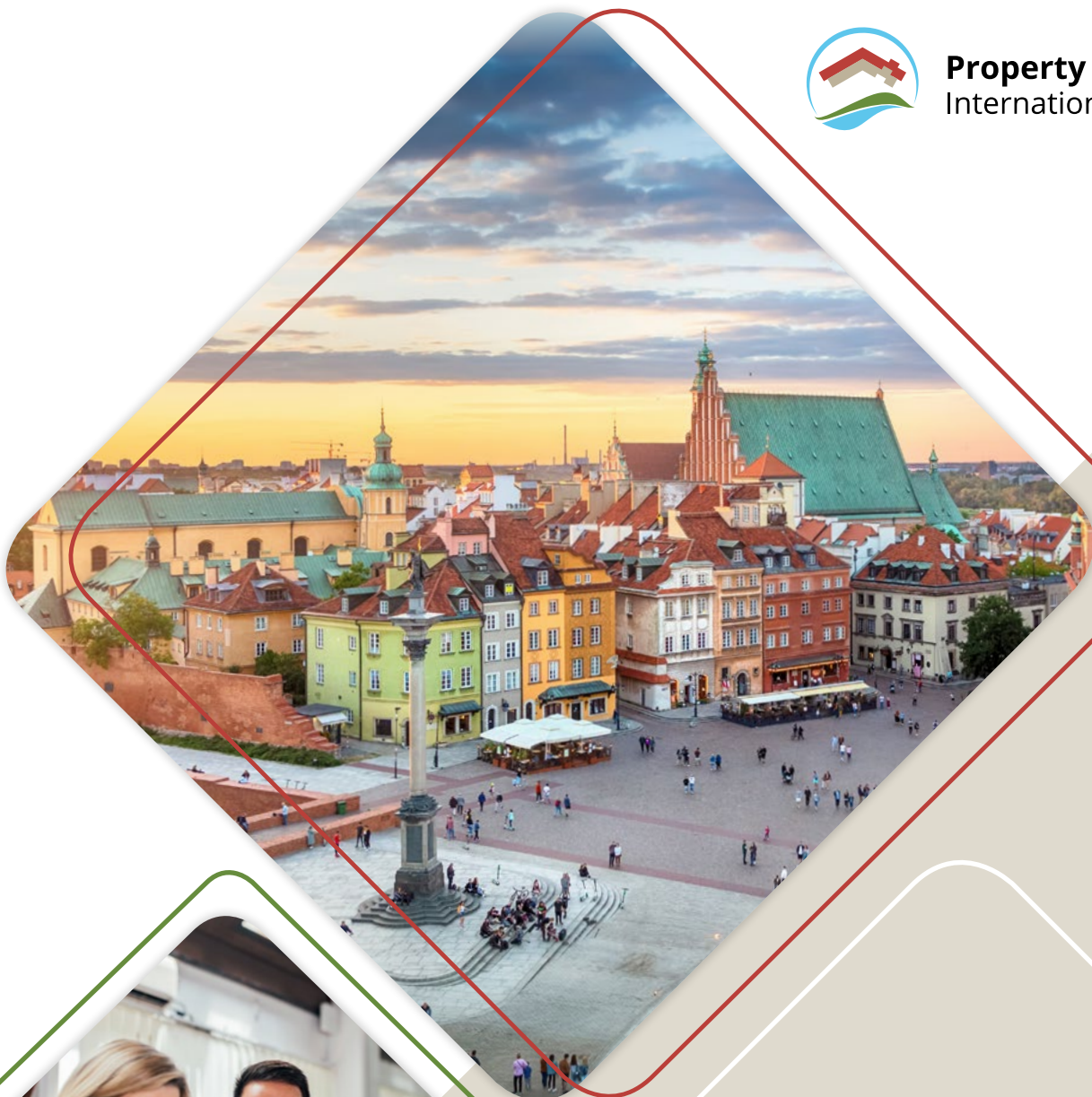




**Property Tax**  
International



**THE ULTIMATE  
TAX GUIDE  
FOR LANDLORDS  
WITH PROPERTY  
IN POLAND**

## Introduction

If you are a non-resident landlord and are earning an income from a property in Poland, you will be required to file a tax return before 30 April if you are paying tax under the progressive scale method.

The Polish tax system can be confusing, especially if you don't speak the local language.

But not to worry, the **PTI Returns'** tax team is here to help!

In this guide, we are going to cover everything you need to know before the Polish tax filing deadline and share some useful tips to help you file your return easily online. We will answer some of the most frequently asked questions on Polish rental income tax.



## Got questions about Polish property tax?

[Contact PTI Returns here](#)

As a non-resident German property owner, you are obliged to file a non-resident German property tax return. Non-residents are subject to a personal levy on income derived from their German property.

**PTI Returns** can help you to determine how much tax you pay on rental income, so you avoid overpaying.

### In this guide:

- » What are the tax obligations of non-resident Polish rental property owners?
- » Who needs to file a property tax return in Poland?
- » How is rental income calculated in Poland? Are there any allowances or deductions?
- » What do you need to file an income tax return in Poland?
- » What are the Polish tax rates and deadlines?
  - I manage multiple rental properties in Poland, are the rates the same?
- » Does Poland have a double taxation agreement with countries?
- » Where can you file and pay Polish property tax on rental income?
- » Who can help?





## What are the tax obligations of non-resident Polish rental property owners?

Every non-resident Polish rental property owner is subject to tax.

Owners of rental properties in Poland, that are in receipt of rental income, must declare this income by submitting a tax return to the Polish tax authorities each year.

Anyone earning rental income in Poland has to make monthly calculations and payments to [the tax office](#) by the 20th of the month, following the month in which rent was received.

## Who needs to file a property tax return in Poland?

Resident and non-resident property owners must pay rental income tax.

Every person or company who is in receipt of rental income in Poland is obliged to declare this income by submitting a tax return to the Polish authorities each year.

Property Tax International (PTI Returns) can help you file your Polish property tax returns. You won't have to worry about tax compliance and deadlines anymore. It's our responsibility.

[Request a callback from a property tax expert](#)



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## How is rental income calculated in Poland? Are there any allowances or deductions?

The tax year in Poland runs from **1 January to 31 December**.

## There are two ways rental income is taxed in Poland.

These methods include:

- » The Progressive scale method – this is when the income tax is paid on the actual profit, which is the difference between income and allowable costs. The income tax rates range from 17% to 32%, and tax advances are paid monthly.
- » The Flat Rate tax method is when the proceeds are subject to the 8.5% flat rate tax and 12.5% flat rate (over PLN 100,000). With the Flat Rate method, no expenses are deductible. Tax is paid either monthly or quarterly under certain conditions.

In many cases, owners of rental property in Poland are couples. The example below is a property that is jointly owned by a husband and wife. If you are a married couple owning a rental property it is important to note that in Poland you must submit two personal tax returns.

In the example given, the taxable base for both couples is PLN 13,500, but per person, it will be PLN 6,750 if they are under the threshold.





# Non-resident couples rental income example

Monthly Rental Income	Under Threshold	At the Threshold	Over the Threshold
Monthly Rental Income	1,500	6,000	12,000
Annual Rental Income	18,000	72,000	144,000
Less Expenses (25%)	4,500	18,000	36,000
Taxable Income	13,500	54,000	108,000
Income Tax			
Up to PLN 85,828 18%	2,430	3,433	3,433
Over PLN 85,828 32%		11,198	28,478
Annual Income Tax Due	2,430	11,446	23,886
Tax Due as % of Gross Income	13.5%	20.3%	22.15%

The exchange rate used in the above example is €1 = 4.50 PLN.. The estimated values are income-generated expenses that are deductible when calculating taxable income.

The rental income of non-resident individuals is always taxed at a progressive rate.

As mentioned above this is when the income tax is paid on the actual profit, which is the difference between income and allowable costs.

The Progressive Scale method can be a little tricky but don't worry, at **PTI Returns** we can take care of all the tricky paperwork.



## By adding a depreciation rate to your property can you reduce your taxes?

Any costs that are incurred with the property can be depreciated.

The depreciation rate for properties is 1.5% of the property value per year. If the property is used or improved the depreciation rate can be increased up to 10% per year.

## What do you need to file an income tax return in Poland?







## What are the Polish tax rates and deadlines?

**The tax year runs from 1 January to 31 December**

- » Under the progressive scale method, once the income was received, the tax filing deadline is 30 April the following year
- » The deadline is 31 January under the fixed rate method.

Under the Progressive Scale Method tax rates range from 17% to 32%.

The Flat Rate method is a little different. The tax rate is 8.5% and no deductions are allowable.

If you purchase a Polish property that is a secondary market property, it is subject to a purchase tax of 2% and notary fees.

The Capital Gains Tax rate in Poland is 19% and is the same rate as corporation tax and tax on dividends.

Capital Gains Tax is only paid when a property is sold within 5 years of the purchase date.

As mentioned previously the tax filing deadline is 30 April each year for the progressive scale method.



Property Tax International (PTI Returns) can help you file your Polish property tax returns. You won't have to worry about tax compliance and deadlines anymore. It's our responsibility.

[Request a callback from a property tax expert](#)

## I manage multiple rental properties in Poland, are the rates the same?

If you own multiple rental properties in Poland it means the threshold is applied in a completely different manner.

- » It is not referring to a specific building owned by the taxpayer but all the buildings owned by the given taxpayer.
- » Tax is due where a specific property has a value that exceeds the PLN 10,000,000 or where the total value of several properties exceeds PLN 10,000,000.
- » This amount is a sort of tax-free amount, it reduces the tax base in the case of properties with a value exceeding PLN 10,000,000.

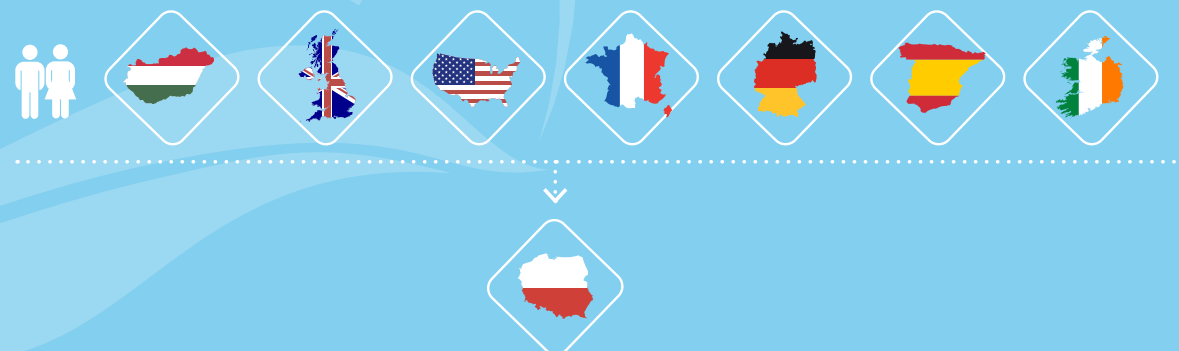
The change that came into effect on commercial property tax in 2019, will mostly affect taxpayers that own many properties that were not subject to tax before due to their value.

The tax rates remain the same as mentioned in this piece if the taxpayer is subject to tax.





## Does Poland have a double taxation agreement with countries?



Poland has double taxation agreements with all the countries we provide property tax services to (*Hungary, UK, USA, France, Germany, Spain, and Ireland*).

If you are a resident in these countries you will have to report any earnings received in Poland on your annual resident tax return.

Relief from double taxation is usually available in these countries.

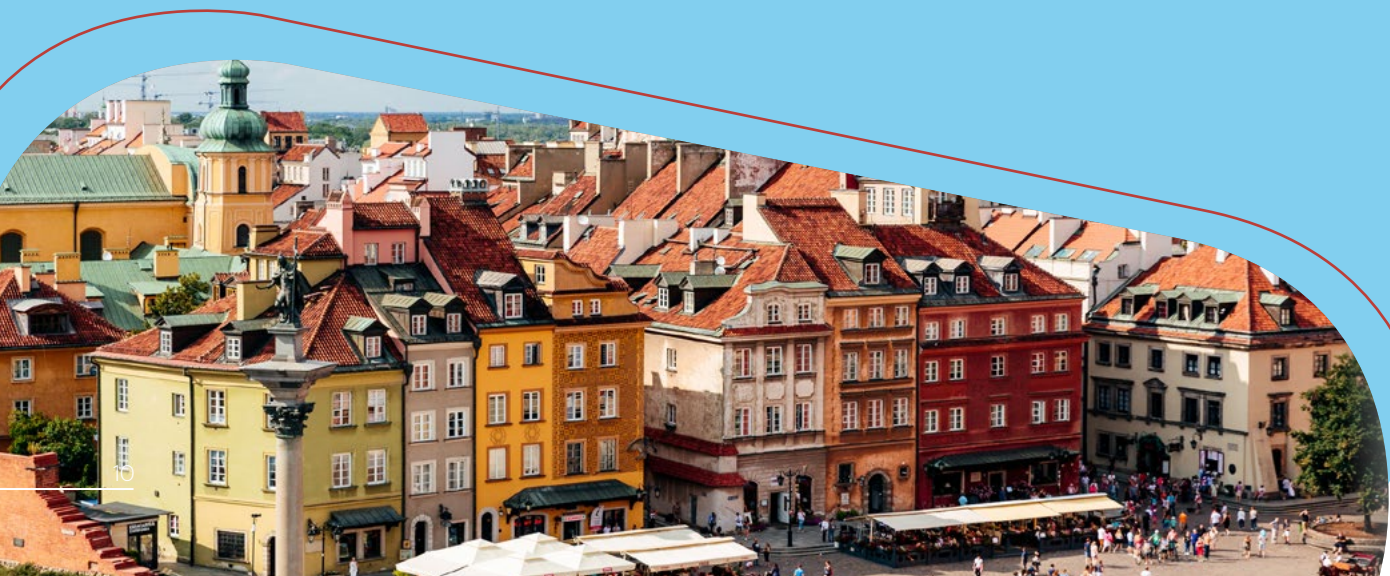
At **PTI Returns** our team of tax experts will provide you with further information on double taxation when filing your return.

## Where can you file and pay Polish property tax on rental income?

You can file your Polish tax return directly yourself. Alternatively, you can easily file online with **PTI Returns**.

Our Polish tax team will handle all of the tricky tax paperwork and ensure you're availing of every tax deduction you're entitled to.

**FILE YOUR POLISH PROPERTY TAX RETURN ONLINE WITH PTI RETURNS**



## How can PTI Returns help?

**Property Tax International (PTI returns) specializes in international property tax returns and ancillary services for overseas property investors.**

We understand tax can be confusing and that's how our service can help and communicate directly with the Polish authorities. Our experts will assist you through the entire tax process.

- » We filed over 322,000 tax returns last year.
- » Property Tax International receives immediate notification of changes to property tax laws and regulations to ensure the necessary action is taken.
- » At PTI Returns we offer a list of Polish tax services. See [our fees](#).

You can [register](#) for a no-obligation call or request or email [info@ptireturns](mailto:info@ptireturns) for further information.

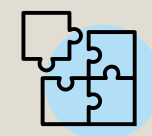
### 6 reasons why our clients prefer PTI Returns instead of local accountants:



**Better value** - we offer a more affordable service than your local accountant.



**Tax specialists** - We know international property tax! We guarantee to properly determine your residency status and apply every tax relief you're entitled to.



**Peace of mind** - PTI Returns is part of **Clunetech** - We have more than 25 years of experience in international tax, and we will keep you compliant with the Polish tax authorities.



**No language barrier** - We speak our client's language and communicate with the local tax authorities on their behalf, ensuring their forms are filed correctly.



**One-stop shop** - need to file tax documents in more than one jurisdiction? You can do it all online with **PTI Returns**! This is one of the most unique things that sets us apart from most accounting services.



**Local knowledge** - we have offices all over the world. This enables us to have substantial local knowledge in every country and help you to maximize your investment profit potential.

### Got questions about Polish property tax?

**Contact PTI Returns for a free no-obligation consultation**



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## **Contact Us**

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