



## Shield 4.0 - major tax-related changes

### Summary of the most important provisions of the Shield 4.0 in the field of tax law:

- » **subsidies to interest on bank loans** will not be considered as tax revenue for entrepreneurs,
- » **members of a company's management will not be liable for its tax arrears** also in cases where they prove, among others, that the notice on the opening of proceedings for the approval of an arrangement was announced in due time and during proceedings for the approval of an arrangement, such arrangement was legally approved and became valid and binding, or it resulted in the opening of remediation proceedings, or a simplified petition for declaration of bankruptcy was filed,
- » **donations made** to medical entities, the Material Reserves Agency, etc. through public benefit organizations, **for the purposes of counteracting COVID-19 may be deducted from tax**,
- » **exemption from the tax on income from buildings** for the period of March to December 2020,
- » **contractual penalties and damages** paid on account of defects in goods supplied (or work and services performed) and delays in the delivery of goods free of such defects (or delays in the removal of defects in goods supplied or work and services performed) **may be included in tax costs**, if such defects or delays occurred in **connection with COVID-19**,
- » **deadlines for the submission of MDR information (for tax schemes) do not start**, and those that have already began to run are suspended, until 30 days after the date on which the state of epidemic threat and state of epidemic declared in connection with COVID-19 are revoked (in the case of cross-border tax schemes, no later than 30 June 2020),
- » **payers may use certificates of residence** (without a stated period of validity) for which the period of 12 months from its issue expires during the state of epidemic threat or state of epidemic declared in connection with COVID-19, for the duration of those states and for 2 months after their revocation (e.g. for the purposes of applying dividend exemptions, interest from withholding tax, etc.),
- » for the duration of the state of epidemic threat and state of epidemic declared in connection with COVID-19, as well as the 2 months following their revocation, payers who hold a **taxpayer's certificate residency** covering 2019 and a declaration made by that taxpayer as to the validity of the information in that certificate, are also deemed to **have satisfied the requirement that they obtain** a taxpayer's certificate of residence,
- » **the deadline to submit transfer pricing information** (or draw up local documentation) **is extended** until 31 December 2020, in cases where it expires between 31 March 2020 and 30 September 2020, or by 3 months, in cases where it expires between 1 October 2020 and 31 January 2021,
- » **the deadline to submit a statement on the drawing up of local transfer pricing documentation is** extended until 31 December 2020, in cases where it expires between 31 March 2020 and 30 September 2020, or by 3 months, in cases where it expires between 1 October 2020 and 31 January 2021 (the deadline to supplement local transfer pricing documentation with group transfer pricing documentation is extended until the end of the third month following the day on which the deadline to submit this statement expired).