

MARTA KLUZEK

marta.kluzek@ue.poznan.pl

Poznań University of Economics and Business

al. Niepodległości 10, 61-875 Poznań, Poland

ORCID ID: <https://orcid.org/0000-0001-7115-5243>

## *Obligation to Publish Information on the Implemented Tax Strategy and Tax Avoidance*

**Keywords:** tax strategy; tax avoidance; transparency

**JEL:** H20; H26; H29; K34

**How to quote this paper:** Kluzek, M. (2025). Obligation to Publish Information on the Implemented Tax Strategy and Tax Avoidance. *Annales Universitatis Mariae Curie-Skłodowska, sectio H – Oeconomia*, 59(3), 99–113

### **Abstract**

**Theoretical background:** In the face of growing social and regulatory expectations regarding the transparency of corporate activity, particularly in taxation, the Polish legislator has introduced regulations requiring certain entities to publish information on the implemented tax strategies. The subject of this analysis is information on the applied tax strategy published by the largest corporate income taxpayers in Poland under Article 27c of the Corporate Income Tax Act.

**Purpose of the article:** The article assesses the impact of the obligation to publish information on the tax strategy implemented by large enterprises with regard to their tax avoidance.

**Research methods:** In the article, a literature review and legal and empirical analyses are used. These methods are combined to assess the theoretical and practical aspects of the obligation to publish information on tax strategy and its impact on the tax behaviour of large enterprises in Poland.

**Main findings:** Although the introduced obligation was theoretically guided by justified objectives, the scope of information specified by the lawmaker did not contribute to increasing public control over the largest corporate income taxpayers in Poland or curtailing tax avoidance by these entities. Therefore, this obligation was abolished in 2025 as part of the deregulation package.

## **Introduction**

In the face of global challenges related to tax avoidance or even tax evasion by large corporations, it is becoming of significance to understand the impact of legal regulations on the tax transparency of enterprises. The great interest of society and legislative bodies in the transparency of corporate activities, especially with regard to the aspect of taxation, motivates a detailed analysis of the new tool introduced to increase tax responsibility. In Poland, on the basis of Article 27c of the Corporate Income Tax Act, regulations were introduced obliging the largest taxpayers to disclose information on their tax strategies. In light of international initiatives (whose main initiators are the OECD and the EU), such as Base Erosion and Profit Shifting (BEPS), Polish regulations can be seen as a response to the growing global pressure to counteract aggressive tax optimisation (Szołno-Koguc & Ołówko, 2019). Theoretically, this solution is aimed at promoting greater transparency concerning the activities of large enterprises operating in Poland and obliged to pay taxes here, and to limit tax optimisation practices.

The aim of the article is to assess the impact of the obligation to publish information on tax strategies implemented by large enterprises with regard to their tax avoidance. To this end, the literature on the subject is first reviewed, which is followed by an analysis of legal regulations concerning chiefly the obligation to publish information on tax strategy in Poland and abroad. The empirical study covered information on the applied tax strategy published by selected companies for the years 2020–2022.

The first part of the article outlines the problem of defining a tax strategy based on a literature review. Next, the Polish legal regulations on the obligation to publish information on the applied tax strategy are compared to solutions employed in other countries. The main body presents the results of an empirical analysis regarding information published by selected companies, based on which an assessment is made of whether and to what extent the introduced regulations have contributed to tax transparency and limited tax avoidance practices by companies.

## **Definition of tax strategy**

The definition of tax strategy can be presented in different ways depending on context and research perspective. Generally, in light of the literature, tax strategy can be understood as designing activities and transactions in a way that allows the effective tax rate to be reduced in the long term, while respecting the law and taking the risk and reputation of the entity into account as well. The goal of a tax strategy is to maximise shareholder value by optimising tax burden, while maintaining compliance with the law and ethical norms (Desai & Dharmapala, 2006; Hanlon & Heitzman, 2010; Scholes et al., 2015).

Creating a company's tax strategy involves deliberate and conscious action by the entrepreneur aimed at:

- optimising tax burden,
- delaying the due date of tax liabilities,
- limiting the tax risk of made decisions (Ciupek & Famulska, 2013).

In Poland, the concept of tax strategy has not been defined within tax regulations, although it has been present in legal language since 1 January 2021 (Borszowski, 2022).

References to this concept can be found in some documents, including the Guidelines on the Internal Tax Supervision Framework (Krajowa Administracja Skarbowa, 2020), developed for the needs of the Cooperation Programme. We read in the Guidelines that:

- the entity's strategy should indicate that tax matters are treated as those of corporate responsibility, and paying taxes in the amount and time required by law is treated as a due return of part of the profit to the society in which the entity operates and uses its resources;

- the entity's tax strategy is to define a tax vision and a mission, as well as tax goals (long term), while taking their impact on the achievement of the entity's business goals into account (p. 8)

According to the Guidelines, a tax strategy should address aspects such as:

- tax risk, which is a general orientation regarding tax threats that may arise within the scope of a given entity's activities or result from the mere fact of operating in a specific industry; the tax risk strategy should define the organisation's approach to reducing tax risk by minimising threats from the tax environment and taking advantage of opportunities provided by tax law;

- so-called appetite for risk (the desired level of tax risk that an entity is ready to accept in its operations); the tax strategy should describe the company's willingness to take risks, including the willingness to apply tax treatments that could be questioned by the tax administration;

- the scope of the management body's involvement in the tax planning decision-making process;

- reporting;

- submitting declarations;

- tax liability payment strategy (p. 9; see also Zalech, 2023).

Tax risk is a general orientation regarding tax threats that may arise in a company as part of its business activities. The tax risk strategy should define the company's approach regarding measures used to limit this kind of risk by minimising threats from the tax environment. In turn, "appetite for risk" is the desired level of tax risk that the company accepts in its business activities. Therefore, the tax strategy should describe the company's willingness to take risks, and aspects that may be questioned by tax authorities (Kubiesa, 2020).

Considering the above-cited definitions from the literature and the recommendations offered by the Guidelines, a broad definition of tax strategy can be adopted for the purposes of the obligation in question. It is therefore a well-designed action plan or a planned activity subordinated to specific goals related to fulfilling tax obligations. However, it differs from all activities undertaken by each taxpayer in that it serves to achieve a pre-determined goal, which expresses the taxpayer's priorities in this respect. Since the legislator assumes their strategic action in relation to the largest taxpayers, it means that in its opinion, fulfilling tax obligations is not limited, but approached in a purposeful and planned manner (Borszowski, 2022).

### **Informational obligations regarding the implemented tax strategy in light of statutory provisions in Poland**

Under Article 27c para. 1 of the Corporate Income Tax Act (hereinafter referred to as the CIT Act), the indicated taxpayers are required to publicly disclose information on the implemented tax strategy. This information must be published by taxpayers whose revenues in the tax year exceeded the equivalent of EUR 50 million according to the average exchange rate set by the National Bank of Poland (a large taxpayer), announced on the last business day of the calendar year preceding the reporting year. In the case of tax capital groups, the reporting obligation applies to the group as a whole as well as all companies included in it, and arises regardless of the value of revenues. Tax strategy obligations are not provided for other categories of taxpayers. At the same time, in the Act, specific legal forms of taxpayers are not indicated, thus, it can be assumed that the obligation applies to each and every CIT (corporate income tax) taxpayer whose revenues exceed the aforementioned limit. The obligation to prepare a tax strategy may therefore include: joint-stock and limited liability companies, limited joint-stock and limited partnerships, certain general partnerships, and foundations or associations (Zalech, 2023). On the other hand, the provisions regarding the obligation to prepare and publicly disclose information on the implemented tax strategy do not apply to taxpayers who are parties to a cooperation agreement concluded with the Head of National Revenue Administration (Krajowa Administracja Skarbowa, KAS), and (since 28 December 2021) universities within the meaning of the Act of 20 July 2018 – Law on Higher Education and Science (Kubiesa, 2020).

The taxpayer is to publish information on the implemented tax strategy in Polish on its website by the end of the 12th month following the end of the tax year to which the report relates. In the event that it does not have its own website, the information must be made available in Polish on the website of a related entity. The website should include not only information for the last year, but also historically published information on the implemented tax strategy for individual years. Additionally, the entrepreneur is obliged to electronically inform the head of the competent tax office

about the address of the website on which information on the implementation of the tax strategy is published. The deadline for submitting the information is the same as that for publication, and for failure to comply with this obligation, the taxpayer is subject to a fine imposed by the head of the tax office competent for the taxpayer, by way of a decision, in the amount of up to PLN 250,000 (Kubiesa, 2020).

It is worth noting two separate concepts that appear, namely “tax strategy” and “information on the implemented tax strategy”. The tax strategy is an issue the taxpayer deals with internally – no obligations have been set as to making the strategy public and the form it should have. Nor is there a template or model for it, such as a document. The regulations only specify the scope of data to be included in the information on the implemented tax strategy, which the taxpayers should make publicly available (by posting it on their website). This document contains only the essential information specified by the legislator.

The document is to contain the following:

- information on processes and procedures for the proper performance of obligations resulting from tax law provisions;
- information on voluntary forms of cooperation with the bodies of the KAS;
- information on carrying out tax obligations within the territory of the Republic of Poland, together with information on the number of tax scheme information provided to the head of KAS;
- information on transactions with related entities (including those who are not tax residents of the Republic of Poland), the value of which exceeds 5% of the balance sheet total of assets from the last approved financial statement;
- information on restructuring activities planned or undertaken by the taxpayer;
- information on applications submitted by taxpayers for the issuance of a tax interpretation, interpretation of tax law provisions, binding rate information and binding excise information;
- information on the taxpayer’s tax settlements within a territory or in a country applying harmful tax competition (Act of 15 February 1992, Article 27c para. 2; Kuś, 2023).

At the same time, information covered by commercial, trade, industrial, professional or production process confidentiality issues falls outside the scope of published data.

### **Informational obligations regarding the implemented tax strategy in other countries**

Obligations concerning the implemented tax strategy were imposed on taxpayers in the United Kingdom and Australia before they became effective in Poland

In 2016, the British government was under pressure to show how it was combating tax avoidance, hence one of the tools of social control over the largest companies

relating to taxation was the introduction of the obligation to publish tax strategies. In the UK, taxpayers conducting business in specific organisational and tax forms are required to publish tax strategies, which in the last tax year achieved revenues of at least GBP 200 million or the balance sheet total amounted to GBP 2 million in the last tax year. Companies or groups in the UK that are part of MNEs (Multinational Enterprises) subject to the OECD (Organisation for Economic Cooperation and Development) Country-by-Country Reporting programme with a global turnover exceeding EUR 750 million must also publish a tax strategy. This means that every British subsidiary of an international group with a turnover of EUR 750 million or more must publish them, even if the British subsidiary is very small. The thresholds for UK companies have not changed since the regulations were introduced, and high inflation in recent years has seen smaller companies increasingly fall into this category (Barnes, 2023).

A company or subgroup must publish its own tax strategy only if it is not covered by a strategy published at a higher level.

This tax strategy must:

1. be approved by the board;
2. reflect the overall strategy and business of the entity;
3. include:

details regarding the section of the regulations with which it complies,

- a description concerning the management of tax risk in the UK,
- the company's approach to tax planning,
- the level of tax risk it accepts,
- how it will cooperate with HMRC (Her Majesty Revenue & Customs).

However, the tax strategy need not include paid tax amounts or commercially sensitive information. In addition, the strategy must be published online and available free-of-charge until the end of the following financial year. It should be easy to find on a website, but may be published as:

- part of a larger document (e.g. annual report);
- a separate document;
- in a non-online form (e.g. in print), provided it is available online (<https://www.gov.uk/guidance/large-businesses-publish-your-tax-strategy#where-to-publish-your-strategy>).

Penalties are envisaged for entities which fail to publish their respective strategies, publish them in incomplete form or fail to ensure that such a strategy remains available free-of-charge. However, the penalty is imposed on the person in charge of publishing the strategy, not on the company. British regulations provide that before a penalty is imposed, an informal (non-statutory) warning is issued, from the date of which the company has 30 days to publish the strategy. The penalty is GBP 7,500, and it can be reappplied if the tax strategy has not been published within the prescribed period. The amount of the penalty, which seems to be more proportionately adjusted to the gravity of the act, also speaks in favour of British regulations (Szymacha, 2022).

Tax strategies are also subject to reporting in Australia. However, the problem has been addressed in an entirely different way there. First of all, publishing such information is completely voluntary in Australia. The regulation, which is called the Tax Transparency Code (TTC), is a set of rules and minimum standards for medium and large companies regarding public disclosure of tax information. The TTC was developed by the Board of Taxation (referred to here as the Board). Its role is to encourage greater transparency within the corporate sector. Potential users of information disclosed as part of the TTC may be the general public and interested parties – so-called stakeholders. Within the TTC, the Australian Taxation Office (ATO) was established to oversee the administration of the TTC, including the storage of reports regarding the TTC and hosting on a special website. However, the ATO's role is not to verify the provided data. The TTC is recommended for large and medium-sized companies. For the purposes of the regulations, a medium-sized enterprise is defined as one with an annual turnover of AUD 100–500 million. The annual turnover of a large enterprise is at least AUD 500 million (Szymacha, 2022).

There is no set template or format for the content of the TTC, but there is a minimum standard of information required under it, which depends on the size of the company. The information disclosed under the TTC is divided into Part A and Part B (see Table 1).

**Table 1.** Minimum standard of information to disclose – Part A and B requirements

TTC disclosure	Who	Minimum standard of information
Part A	Large and medium businesses	<ul style="list-style-type: none"> <li>– Reconciliation of accounting profit to tax expense and to income tax paid or income tax payable</li> <li>– Identification of material temporary and non-temporary differences</li> <li>– Accounting effective company tax rates for Australian and global operations (pursuant to AASB guidance)</li> </ul>
Part B	Large businesses	<ul style="list-style-type: none"> <li>– Approach to tax strategy and governance</li> <li>– Tax contribution summary for corporate taxes paid</li> <li>– Information about international related-party dealings</li> </ul>

Source: Australian Taxation Office (2021).

Of course, an entity can include other information in the report, but the Board provides clear guidelines on the minimum standard. These standards, naturally, are based on international accounting norms. Companies usually publish their TTC reports on their websites. As stated by the ATO, adopting the TTC is voluntary and intended to complement existing Australian tax transparency measures. Its aim is to encourage greater transparency within the corporate sector, particularly by multinationals, and to increase the community understanding of corporate compliance with Australian tax laws.

Potential users of information disclosed under the TTC may include the general public, as well as interested users in the community, such as shareholders, analysts,

social justice groups and the media (<https://www.ato.gov.au/businesses-and-organisations/corporate-tax-measures-and-assurance/large-business/corporate-tax-transparency/voluntary-tax-transparency-code>). However, the lack of obligation and sanctions is not a weakness of this institution. On the contrary, it brings the publication of information on tax strategies closer to the purpose expressed by the Polish legislator in the explanatory memorandum (Szymacha, 2022). The Australian Taxation Office supports the TTC by maintaining a centralised database with links to published TTC reports provided by participating companies. Links to published reports and details of signatories are available at [data.gov.au](http://data.gov.au).

As of 2 December 2024, 222 companies have notified the tax administration of their willingness to publish their reports, including 220 business entities (180 large, 32 medium, and 8 small ones) who have already published at least one report (the total number of published reports is 1,099). Notifying the administrative body of the publication place is important in that the list of reports is updated monthly, with the necessary data enabling identification of the taxpayer and the period for which the information is provided, and the date and address of publication.

## Research methods

The main objective of the legislator in introducing the obligation to publish information on the implemented tax strategy was to increase the tax transparency of taxpayers who play a significant role on the Polish market. Thanks to these materials, citizens have access to information on the tax rules that guide the largest entities and the voluntary forms of cooperation they undertake with KAS authorities. Such information is helpful when citizens make decisions about using services or purchasing products from such entities (Sejm Paper No. 642, 2020). The scope of information the largest entities are obliged to publish is inadequate for the purpose indicated in the justification for this regulation. Corporate income tax is more or less understood by Poles, and although an increasing number of them know that such a tax exists at all, most of them do not understand it (Maison & Partners, 2024). The analysed information contains mostly the necessary minimum required by the legislator, while shaping a positive image of the entity – there are only such items and points that indicate that all obligations are fulfilled in an exemplary manner, entities are open to cooperation with tax administration authorities, and each of their actions is aimed at minimising tax risk. Another argument for introducing this regulation indicated in the justification was that the data published as part of the information on the implemented tax strategy may serve the KAS authorities in obtaining preliminary information on the activities of these taxpayers and on possible reasons for differences in their tax settlements (Sejm Paper No. 642, 2020). However, taking the scope of information disclosed in the published materials into account and, on the other hand, the vast

amount of data that most enterprises are already required for reporting to the tax administration in various forms, this goal seems highly questionable from the outset.

The Polish government also indicated that the obligation to publish individual data of corporate income taxpayers in conjunction with the obligation to publish information on the tax strategy applied by them is to contribute to strengthening the willingness of taxpayers to properly fulfil their tax obligations by increasing their transparency in this area and social control of undertaken actions. This mechanism is another instrument intended to contribute to solving the global problem of tax avoidance and erosion of the tax base in countries where a specific kind of income is generated (Sejm Paper No. 642, 2020). The publication of information on the implemented tax strategy therefore served to trigger a kind of tax self-control, leading to a reduction in optimisation activities and contributing to an increase in tax revenues. This obligation should create an attitude of corporate social responsibility (Borszowski, 2022).

In order to determine whether the last objective of the obligation in question was achieved, data on the tax strategy applied by 25 companies was examined. To construct the empirical sample, the official list of corporate income taxpayers published by the Polish Ministry of Finance (“Individual CIT taxpayer data”) was used as the starting point. In the sample, all entities listed on the Warsaw Stock Exchange (WSE) were identified, and two sampling strata were subsequently formed: (i) listed companies and (ii) non-listed companies. From each stratum, 30 well-known companies and therefore likely to attract interest from Polish stakeholders were selected. The initial target sample (60 companies) was intentionally larger than the final analytical sample, as for some entities the place of publication could not be established, and for others, information for all three analysed fiscal years was unavailable. In several cases, this may have resulted from the absence of a reporting obligation or exemption due to a cooperation agreement with the National Revenue Administration. After applying these availability filters, the final sample consisted of 25 entities in total, including 15 listed on the WSE, analysed over the period 2020–2022.

**Table 2.** List of partnership companies included in analysis

Type of entity	Name of entity
Companies listed on the Warsaw Stock Exchange	Asseco Business Solutions S.A., ATREM S.A., Benefit Systems S.A., Lubelski Węgiel Bogdanka S.A., Budimex S.A., BUMECH S.A., EUROTEL S.A., Monnari Trade S.A., ORLEN S.A., Tarczyński S.A., Torpol S.A., SUNEX S.A., Unimot S.A., Witthen S.A., XTB S.A.
Other companies	Budimex Budownictwo sp. z o.o., FAKRO PP sp. z o.o., Fakro sp. z o.o., Husqvarna Poland sp. z o.o., Pratt and Whitney Kalisz sp. z o.o., Sklepy Komfort S.A., Tikkurila Polska S.A., TRUMPF Hüttinger sp. z o.o., VEKA POLSKA sp. z o.o., Vision Express sp. z o.o.

Source: own elaboration.

## Results

The mere search for information on the implemented tax strategy is already problematic. Unfortunately, the legislator obliged such entities to inform the tax administration about the place of publication, but did not require the administration to make public this internet address. If the Ministry of Finance publishes individual data from the tax returns of the largest entities (mostly those that are obliged to publish information on the applied tax strategy), the address of the publication of this information could be entered in an additional column. The Australian Ministry of Finance provides a list of entities which publish such information along with its publication address, which allows easy access to these types of documents. It would also be worth making a note from the additional information of companies available in the same place. It should include differences between the balance sheet result and that of the tax.

In most cases, the structure of the analysed information is similar to the structure of points in Article 27c para. 2 of the Corporate Income Tax Act. It would be easier to analyse the information if there was a single structured scheme (similar to a financial report). Currently, some companies merely provide general information based on affirmative or negative statements. The information published by Polish companies for the next three years does not differ substantially. In many of them, the year for which the information is prepared is changed, as well as the number of submitted applications, mainly for individual tax interpretations or reported tax schemes (the objective or scope of the submitted applications or schemes is rarely described). The volume of this information varies – the shortest take up two typewritten pages, the longest a dozen or so, but in the latter, the volume is often greater due to including pages of technical nature, i.e. title page, table of contents, indication of legal acts as the basis for preparing the information, citing definitions of how individual concepts are understood by the company, citing the entire list of countries or territories applying harmful tax competition. The number of pages regarding substantive content of the information varies from four to eight.

In the first part of the information on procedures for the proper performance of obligations under the tax law, voluntary forms of cooperation with KAS bodies, or the implementation of tax obligations in the territory of Poland, companies typically published lists of internal procedures in the area of taxation and accounting, and taxes that they are obliged to settle. Most companies assured of their openness to cooperate with the tax administration and also indicated that they implemented activities aimed at reducing tax risk, further stating that they did not take actions to counteract tax evasion.

There is little information on the figures connected with the company's financial standing or tax settlement. Therefore, based on this information, it is difficult to determine whether the company has a tax income or loss, how these tax results relate to accounting results, what solutions are used to reduce tax burden (e.g. what

exemptions or reliefs the company uses). Of the examined companies, two of them reported revenues from qualified intellectual property rights, i.e. Asseco Business Solutions S.A. and Trumpf Hüttinger sp. z o.o., with only the first of them reporting to use R&D relief and the so-called IP Box. Such data should be found in financial reports made available on the website of the National Court Register ([https://ekrs.ms.gov.pl/rdf/pd/search\\_df](https://ekrs.ms.gov.pl/rdf/pd/search_df)), and in the case of listed companies, also on the website of the Warsaw Stock Exchange (<https://www.gpw.pl/spolki>). Some companies additionally publish reports on their websites. Moreover, it can be seen what results were presented in the tax return on the website of the Ministry of Finance (<https://www.gov.pl/web/finanse/indywidualne-dane-podatnikow-cit>), although only in basic values. However, this data is scattered across many places and there is no database that would contain directly the necessary data for comparisons or at least links to the relevant reports of a given company. Thus, the information analysed for 25 companies for the years 2020–2022 by no means contributed to determining what tax strategy these entities implement, and even more so, whether they undertake or eliminate actions that could indicate tax evasion.

## Discussion

The analysis of regulations regarding the obligation to publish information on the applied tax strategy in the three mentioned countries indicates that the best effect was achieved in Australia. Access to information is easier, and the scope of presented data is better adapted to the assumed objectives. Although the optionality adopted there also has its drawbacks, including, among others: low attractiveness, lack of verifiability, insufficient detail and coverage, Latimer (2023) indicates that although the TTC has initiated steps towards greater tax transparency among companies in Australia, its impact is limited by its voluntary nature, lack of comprehensive coverage and enforcement, and problems are noted regarding the verifiability of disclosed information. Making the Tax Transparency Code mandatory and introducing stronger verification as well as enforcement measures could significantly increase its effectiveness and public trust in corporate tax compliance.

In the UK, as in Poland, obliged entities simply comply with the regulations, changing the date each year for previously published information. Nonetheless, some companies have used this obligation as an opportunity to publish a great deal of detail about not only their taxes but also other information. Vodafone and Shell have published detailed tax strategies that have much more to do with customer relationships as well as their environmental, social and governance (ESG) credentials. However, most companies within the scheme publish as little information as possible, not wanting to publicly declare the details of how they manage their taxes – and it is easy to understand why they might do so. Preparing such a report is time-consuming and the results are negligible, especially if no one outside the tax administration is

looking for it. Moreover, HMRC itself is not sure whether the regulations have an effect. In the first few years, it strongly called for more detailed strategies, even when not required by law, and now it is only briefly mentioned within the context of the HMRC Business Risk Review+ process. HMRC also applies a 30-day time limit for compliance if it finds that a strategy is lacking meaning that, in practice, there are very few penalties in the UK for failing to publish a tax strategy. This requirement has now become an administrative burden on businesses that also does not appear to serve the purposes of HMRC (Barnes, 2023).

Our assessment of Polish tax regulations and their practical application is confirmed only by the experience from Great Britain. Although the main goal of increasing the tax transparency of taxpayers playing a significant role on the Polish market seemed justified. The need to recognise the tax-related behaviour of enterprises as an element of corporate social responsibility in Poland was indicated, among others, by Filipczyk (2015) and Kozłowska-Makóś and Kluzek (2018). However, the scope of data that obliged business are to publish without linking it to financial data, without a uniform pattern that could enable comparisons of data in historical terms and between companies, as well as the need to search for such information on different websites, makes the information value unsatisfactory. Legal issues were discussed extensively in the article by Szymacha (2022). Obligated entities mostly publish the minimum information required by the legislator only to fulfil the mandatory requirements, which is difficult to relate to the actually applied tax strategy that is part of the corporate strategy. This approach is hardly surprising, as the obligation involves additional administrative costs for companies, which is particularly onerous for smaller entities. In addition, publishing details of a tax strategy may lead to the disclosure of sensitive business information that can be then used by competitors. Public disclosure of aggressive but legal tax optimisation strategies may also cause negative social and media reactions, which may harm a company's reputation. Compared to the already applicable regulations on reporting in various fields, including another obligation introduced in 2024 to the Accounting Act (Act of 12 April 2024) for the largest multinational enterprises to draw an income tax report by country, information on the applied tax strategy in its current form is useless, constituting only an unjustified responsibility for many companies.

It is therefore not surprising that in August 2025, Poland abolished the obligation for large CIT payers and tax capital groups to publish information on their tax strategy: CIT Act Article 27c was repealed by the Act of 25 June 2025 (Journal of Laws of 2025, item 1074), effective as of 7 August 2025. The explanatory narrative accompanying the reform – presented as part of the government's programme Support for Business and Deregulation – emphasised the simplification of the tax system, reduction of administrative burdens and costs, and the limited practical value of many published statements, which were often formalistic and hard to compare across firms and over time. From a governance perspective, the repeal removes (i) the duty to prepare and host the document on the tax strategy implemented and (ii) the notification duty to

the tax office regarding the URL of publication; it also eliminates or terminates penalty proceedings in cases where the deadline had already lapsed before the reform took effect. For stakeholders, this change reduces tax transparency unless replaced by other instruments (e.g., public-CbCR implemented via the 2024 Accounting Act amendment) or voluntary disclosures aligned with international best practice.

## Conclusions

When reading the justification for introducing the obligation to publish information on the implemented tax strategy, it would seem that this is a necessary solution serving the good of the entire society. Theoretically, this solution has many advantages, which may result in, among others: increased transparency, improved corporate image or prevention of aggressive tax optimisation. However, a cross-sectional analysis of the regulations on the mandatory publication of information on the implemented tax strategy and the information published by companies in connection with the previously cited definition of tax strategy leads to the conclusion that the legislator focused only on its second part, obliging companies to publicly report on compliance with the law and ethical standards in the field of taxation, disregarding the main part, i.e. information on how companies maximise value for shareholders by optimising tax burdens.

Information on the implemented strategy in its previous form did not contribute anything, and it certainly did not curb corporate appetite for risk. Therefore, it did not help to eliminate tax avoidance by these entities. It could only encourage enterprises obliged to review internal documents and organise this area of corporate functioning. The lack of a uniform information template made it difficult to compare their content historically and between entities, and the lack of reporting tax data in one place meant that the cognitive value of this information was negligible, inadequate to the costs incurred by all parties involved in its preparation, control and exploration.

The 2025 repeal materially alters the cost–benefit analysis for enterprises. On the cost side, it removes recurring tasks (drafting, internal reviews, approvals, website hosting, URL notifications) and lowers compliance risk linked to formal deadlines and content sufficiency – a net reduction in administrative burden and advisory costs. As far as transparency goes, the public is now losing a (limited) disclosure channel that, albeit imperfect, could be juxtaposed triangulated with other sources (financial statements, aggregated data of the Ministry of Finance aggregates). Considering the lack a uniform, comparable template and central registry, the information on the strategy pursued prior to the repeal did not fully attain the assumed goals – a key reason for deregulation. Further, public CbCR pursuant to the 2024 Accounting Act, along with voluntary disclosure of tax information (e.g., TTC-style reports), may partly take over the informational function. However, without a clear minimum content and single registry, comparability and civic oversight are likely to remain limited.

## References

- Act of 15 February 1992 on the Income Tax of Legal Persons. Journal of Laws of 2021, item 1800 as amended / Ustawa z dnia 15 lutego 1992 r. o podatku dochodowym od osób prawnych. Dz.U. z 2021 r. poz. 1800, z późn. zm.
- Act of 12 April 2024 Changing the Act on Accounting and Certain Other Acts. Journal of Laws of 2024, item 619 / Ustawa z dnia 12 kwietnia 2024 r. o zmianie ustawy o rachunkowości oraz niektórych innych ustaw. Dz.U. z 2024 r. poz. 619.
- Act of 25 June 2025 Amending the Corporate Income Tax Act. Journal of Laws of 2025, item 1074 / Ustawa z dnia 25 czerwca 2025 r. o zmianie ustawy o podatku dochodowym od osób prawnych. Dz.U. z 2025 r. poz. 1074.
- Australian Taxation Office (2021, November 17). *Voluntary Tax Transparency Code*. <https://data.gov.au/dataset/ds-dga-f71709a8-2eeb-4592-ad1f-443f7f520186/distribution/dist-dga-e44e9729-30f5-4764-848e-f060f5099277/details?q=>
- Barnes, F. (2023). *Seven years ago, HMRC began requiring large corporates to publish a UK tax strategy. Is it working?* RSM. Retrieved May 12, 2025, from <https://www.rsmuk.com/insights/weekly-tax-brief/seven-years-ago-hmrc-began-requiring-large-corporates-to-publish-an-uk-tax-strategy-is-it-working>
- Borszowski, P. (Ed.). (2022). *Obowiązek informacyjny w zakresie realizowanej strategii podatkowej*. Wolters Kluwer.
- Ciupke, B., & Famulska, T. (Eds.). (2013). *Strategie podatkowe przedsiębiorstw*. Wydawnictwo Uniwersytetu Ekonomicznego w Katowicach.
- Desai, M.A., & Dharmapala, D. (2006). Corporate tax avoidance and high-powered incentives. *Journal of Financial Economics*, 79(1), 145–179. <https://doi.org/10.1016/j.jfineco.2005.02.002>
- Filipczyk, H. (2015). Tax non-avoidance as a missing piece of the puzzle in the CSR agenda in Poland. *Annales. Etyka w Życiu Gospodarczym*, 18(4), 111–127.
- Hanlon, M., & Heitzman, S. (2010). A review of tax research. *Journal of Accounting and Economics*, 50(2–3), 127–178. <https://doi.org/10.1016/j.jacceco.2010.09.002>
- Kozłowska-Makós, D., & Kluzek, M. (2018). Corporate social responsibility and behavior of entrepreneurship in the field of taxation. *Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu*, (532), 185–193.
- Krajowa Administracja Skarbowa. (2020). *Wytyczne w zakresie Ram Wewnętrznego Nadzoru Podatkowego*. <https://www.podatki.gov.pl/media/6197/wytyczne-w-zakresie-ram-wewn%C4%99trznego-nadzo-ru-podatkowego.pdf>
- Kubiesa, P. (2020). *Obowiązek informowania o strategii podatkowej*. System Informacji Prawnej LEX.
- Kuś, P. (2023). *Obowiązek opublikowania informacji o realizowanej strategii podatkowej przez PGK oraz „dużych” podatników CIT*. Doradca. <https://doradca.lublin.pl/publikacje/podatki-dochodowe/obowiazek-opublikowania-informacji-o-realizowanej-strategii-podatkowej-przez-pgk-oraz-duzych-podatnikow-cit>
- Latimer, P. (2023). *The Tax Transparency code – Lessons for improvement from Australia’s Codes of Conduct*. SSRN. Retrieved June 15, 2025, from [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4686988](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4686988)
- Maison & Partners. (2024). *Już wiemy, że płacimy: Świadomość podatkowa Polaków 2024*. WEI. <https://wei.org.pl/wp-content/uploads/2024/07/Juz-wiemy-ze-placimy.pdf>
- Scholes, M.S., Wolfson, M.A., Erickson, M., Maydew, E.L., & Shevlin, T. (2015). *Taxes and business strategy: A planning approach* (5th ed.). Pearson.
- Sejm Paper No. 642. (2020). Rządowy projekt ustawy o zmianie ustawy o podatku dochodowym od osób fizycznych, ustawy o podatku dochodowym od osób prawnych, ustawy o zryczałtowanym podatku dochodowym od niektórych przychodów osiąganych przez osoby fizyczne oraz niektórych innych ustaw [Draft law amending the Personal Income Tax Act, Corporate Income Tax Act, Act on Flat-Rate Income Tax regarding certain incomes earned by individuals, and certain other acts]. Sejm Rzeczypospolitej Polskiej. <https://www.sejm.gov.pl/sejm9.nsf/druk.xsp?nr=642>
- Szołno-Koguc, J., & Ołówko, N. (2019). The phenomenon of tax avoidance – the essence, causes and measures (clauses) of prevention in the EU. *Annales Universitatis Mariae Curie-Skłodowska, sectio H – Oeconomia*, 53(3), 73–83. <http://dx.doi.org/10.17951/h.2019.53.3.73-83>

- Szymacha, A. (2022). Publikowanie informacji o realizowanej strategii podatkowej, czyli stawianie współczesnego pręgierza – wybrane problemy. *Studia Prawno-Ekonomiczne*, 122, 37–54. <https://doi.org/10.26485/SPE/2022/122/2>
- UK Government. (2024, June 30). *Publish your large business tax strategy*. <https://www.gov.uk/guidance/large-businesses-publish-your-tax-strategy#where-to-publish-your-strategy>
- Zalech, M. (2023). *Strategia podatkowa. Co to jest informacja o realizowanej strategii podatkowej i jak ją przygotować?* EY. [https://www.ey.com/pl\\_pl/tax/strategia-podatkowa-co-to-jest-informacja-o-re-alizowanej-strategiii-podatkowej](https://www.ey.com/pl_pl/tax/strategia-podatkowa-co-to-jest-informacja-o-re-alizowanej-strategiii-podatkowej)