

GloBE Act signed by the President of Poland

• 18 NOVEMBER 2024 •

On 15 November this year the President of Poland signed the Act of 6 November 2024 on the top-up tax of constituent entities of multinational and domestic groups! The Act will soon be promulgated in the Polish Journal of Laws.

The Act of 6 November 2024 on the top-up tax of constituent entities of multinational and domestic groups [here: **the GloBE Act**] implements into the Polish legal system the requirements of Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union [**the Directive**]. The Directive should have been implemented into the domestic legal systems of the EU Member States effectively from 1 January 2024. Poland (as well as only Spain, Portugal and Cyprus) failed to implement the Directive in time, and therefore the provisions of **the GloBE Act should be effective, in principle, from 1 January 2025**.

Under the GloBE Act, entities belonging to multinational and domestic groups – with consolidated revenues exceeding €750 million in at least 2 of the 4 years preceding the tax year – will be required to calculate an effective tax rate, report a range of data and possibly pay a top-up tax, most often in their country of residence.

The GloBE Act regulates taxation with:

- global top-up tax;
- domestic top-up tax;
- top-up tax on under-taxed profits.

The wording of the GloBE Act also sets out, among other things, how the principles governing the GloBE system are to be applied:

- Income inclusion rule (IIR),
- Undertaxed Profits Rule (UTPR),
- Qualified Domestic Minimum Top-Up Tax (QDMTT).

Selected issues arising from the GloBE Act are discussed in this [alert](#).

Contact us:

Monika Dziejic

monika.dziejic@mddp.pl

+48 22 322 68 90

[LinkedIn](#)

Łukasz Kumkowski

lukasz.kumkowski@mddp.pl

+ 48 660 428 394

[LinkedIn](#)

or your advisor from MDDP.

This Tax Alert does not constitute legal or tax advice. MDDP Michalik Dłuska Dziejic i Partnerzy spółka doradztwa podatkowego spółka akcyjna is not responsible for the use of the information contained in the Alert without prior consultation with legal or tax advisers.

#More about MDDP: [link](#)

