



**GRATA**  
INTERNATIONAL

Local Knowledge  
for Global Business

[www.gratanet.com](http://www.gratanet.com)

# Simplifications for small and medium sized companies

## Simplifications for small and medium sized companies

On November 9, the Parliament passed a package of changes introducing simplifications in tax and business law aimed for entrepreneurs. They offer, among others, a possibility of including a spouse's work as a tax-deductible cost, a one-off possibility to carry forward a tax loss up to PLN 5 million or shortening - from 150 to 90 days - the time limit entitling the creditor who has not obtained their receivables to benefit from the so-called bad debt relief from VAT. One of the solutions provided for in the Act is qualifying the value of the spouse's work as a tax-deductible cost, therefore, after the provisions have been amended, a company's owner will be able to record their wife or husband's remuneration as a tax-deductible cost. This change is expected to bring benefits especially to micro and small-sized family businesses. A taxpayer who employs a spouse (based on an employment agreement, mandate contract or contract for specific work) will be treated by the tax office in the same way as a taxpayer employing a person from outside the immediate family. At least couple of dozens of thousands of entrepreneurs are supposed to benefit from this solution.