

Tax reliefs and income deductions for 2020 (income deductions in 2020) 1/3

Deductions from income 2020		Tax declaration			
Type of deduction	Principles of applying the discount/deduction – short information	PIT-36L	PIT-36	PIT-37	PIT-28
Thermomodernization relief	The thermo-modernization relief applies only to the expenses incurred by the taxpayer who is the owner or co-owner of a single-family residential building, provided that the thermo-modernization project in this building will be completed within 3 consecutive years, counting from the end of the tax year in which the first expenditure was incurred. The amount of the maximum deduction is 53 000 PLN. The costs incurred can be settled up to 6 years from the year in which the first expenditure was incurred.	X	X	X	X
Payments to the individual pension security account (IKZE)	The deduction from income applies to contributions to the optional IKZE (Individual Retirement Security Account) by the taxpayer in a given tax year and may not exceed the amount equal to 4% of the basis of the individual's old-age pensio in the previous year, but may not exceed 4% of the annual ceiling for retirement and disability insurance (i.e. not more than 156,810 PLN in 2020, i.e. 6,272.4).	X	X	X	X
Research and development relief	Possibility to deduct from the tax base 100% of expenses incurred on research and development activities (the so-called eligible costs). The exception are enterprises with the status of research and development centers (being micro, small and medium enterprises) – these are entitled to a 150% deduction for all eligible costs.	X	X		
Social security contributions	Polish social security contributions paid by the taxpayer or withheld by the payer from the taxpayer's funds may be deducted from the income subject to Polish taxation. In addition, under certain conditions, it is also possible to deduct from income compulsory social security contributions paid to the social security system of another (than Poland) EU country, EEA country or Switzerland.	X	X	X	X
Internet	Only those people who would like to use it for the first time in their tax return or want to deduct internet expenses only in the previous year (and not in previous years) are eligible for the PLN 760 discount. This means that it can only be used for 2 consecutive years.		X	X	X
Donations for religious worship	The donation must be supported by a confirmation of the transfer (or a document confirming the value of the donation if it was not made in cash). The total amount of the deductions may not exceed 6% of the total progressive taxable income.		X	X	X
Donation for the Church's charity and care activities	In the case of donations to the Church's charity and care activities, a full deduction of the amount of the donation (not limited to 6% of the income) may be possible provided that certain conditions are met, among others a document confirming the donation and confirmation of the achievement of the goal by the Church (within 2 years).		X	X	X

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Donation to a public benefit organization	In the case of donations to a public benefit organization (based in Poland or in one of the EU or EEA countries), the taxpayer may apply for a deduction if the amount of the financial (monetary) donation is supported by a transfer confirmation (or a document confirming the value of the donation, if not made in cash). The total amount of the deductions may not exceed 6% of the total progressive taxable income. The taxpayer is obliged to declare the amount of the donation, the amount of the deduction and the personal data of the recipient, including his name and address.		X	X	X
Donation – blood and plasma	Cash equivalent (depending on the amount of donated blood) can be deducted from the tax base, on the basis of a special confirmation stamp in the blood donation book, received up to 6% of the total income subject to progressive taxation.		X	X	X
Donation for vocational education	The maximum amount of the deduction is 6% of the taxpayer's income (6% is counted from the sum of donations), an asset donation agreement is required (cash donation cannot be deducted). Note: donation must be made only to schools with a specific educational profile	X	X	X	X
Donation for the fight against COVID-19 <i>New !</i>	Up to 100% of the taxpayer's income (without restrictions as to the taxpayer's income) from 100 to 200% of the donation value, not added to other donations in order to determine the limit of tax deductions	X	X	X	X
Donation of tablets and laptops for entities running educational institutions <i>New !</i>	Up to 100% of the taxpayer's income (without restrictions as to the taxpayer's income) from 100 to 200% of the donation value, not added to other donations in order to determine the limit of tax deductions.	X	X	X	X
Deduction – tax loss <i>New !</i>	1) Maximum 50% for losses from 2018 and earlier years				
	2) 100% of the loss from 2019, if it does not exceed PLN 5 million, and if it is higher, up to 50% of this surplus to be deducted annually	X	X		X
	3) The loss from 2020 caused by COVID-19 (up to PLN 5 million) in the event of a decrease in revenues by at least 50% may be settled retroactively in the declaration for 2019, tax losses can be deducted in the next five consecutive tax years . Appropriate documentation required.				

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Reimbursement of undue benefits	The relief applies to returns that the taxpayer had to "withdraw" and re-transfer these amounts to the payer, and which would previously have been taxable income. Undue benefits that are deductible are the net amount plus the tax charged previously. However, the amount of default interest paid is not deductible if the refund is late.		X	X	X
Deduction of housing costs	Deduction of housing costs (up to a certain amount) incurred by taxpayers who acquired the right to deduct in previous years (1997-2001).		X	X	X
Interest on the loan / home loan deductions	The amount of interest paid on your mortgage / home loan can be deducted from your taxable income (up to a certain limit). The deduction applies only to Polish tax residents who took out a loan / bank loan in the years 2002-2006 to buy a house / flat in Poland.		X	X	X
Medicine's relief	The cost of drugs minus PLN 100 per month, the necessary confirmation of drug expenditure and a medical certificate confirming the need to use drugs.		X	X	X
Rehabilitation costs	Expenses for rehabilitation and expenses related to the facilitation of life activities incurred by the taxpayer who is a disabled person or the taxpayer supporting the disabled. The taxpayer applying for this deduction should have an official statement confirming the disability (or the person he / she maintains) and documents indicating the type and amount of expenses incurred. Some expenses are limited to PLN 2,280 per year.		X	X	X
Discount for a car	The maximum deduction up to the amount of PLN 2,280.00, the condition is to have a deed of ownership / joint ownership and a certificate of disability without the need to indicate groups I and II.		X	X	X