

To whom it may concern,

Below, we present information about some of the most important **changes in employment and remuneration regulations that come into force in 2024**.

We hope that you will find this information useful.

Mac Auditor Team

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1. Minimum wage

From 1 January 2024:

- the minimum wage under the employment contract will be **PLN 4,242.00** gross;
- The minimum hourly rate for civil law contracts will be **PLN 27.70** gross.

From 1 July 2024:

- the minimum wage under the employment contract will be **PLN 4,300.00** gross;
- The minimum hourly rate for civil law contracts will be **PLN 28.10** gross.

2. Tax thresholds and PIT tax scale; tax-deductible costs

From 1 January 2024, the income threshold above which the tax rate of 32% is applied remains unchanged. Therefore, the tax scale is as follows the table below:

Tax calculation basis in PLN		The tax is
above	into	
	PLN 120,000	12% minus the tax-reducing amount of PLN 3,600
PLN 120,000		PLN 10,800 + 32% of the surplus over PLN 120,000

In 2024, tax-deductible costs are PLN 250.00 per month, and increased tax-deductible costs are PLN 300.00 per month.

Increased tax-deductible costs are available to an employee who commutes to work from a location other than the employer's registered office. An employee may submit an application to the employer for the collection of advance payments without applying monthly tax-deductible costs of PLN 250 or PLN 300 per month. The employer will start collecting advances without applying these costs at the latest from the month following the month in which the application was received.

3. Tax-free amount [PIT]

From 1 January 2024, the tax-free amount remains unchanged at PLN 30,000. Therefore, the annual tax-reducing amount of PLN 3,600 (PLN 30,000 x 12%) remains unchanged.

4. Amount of limitation of the pension base [ZUS]

In 2024, the amount of the limitation of the annual basis for the assessment of pension and disability insurance contributions, above which pension and disability insurance contributions will not be calculated, will be PLN 234,720, and the amount of the projected average salary adopted to determine it is PLN 7,824.

5. Deduction-free amount

In 2024, the amount of the deduction-free amount will be changed twice, as it depends on the amount of the minimum wage, which will change on 1 January 2024 and 1 July 2024.

The amount exempt from deductions is a net amount, so its amount depends on the situation of a given employee, i.e. m.in the type of application of tax-deductible costs, the method of reducing the advance tax, the use of exemptions or participation in the ECP.

6. Tax exemption for persons up to 26 years of age [PIT]

The exemption from tax collection for persons up to 26 years of age applies to persons employed on the basis of an employment contract, cooperative employment relationship, service relationship, as well as outsourced work, contract of mandate, graduate internship and student internship. The amount of the exemption has not been changed in 2024 and includes revenues from the above-mentioned titles up to PLN 85,528 per annum.

7. Changes to the limit of tax exemption of benefits from the Company Social Benefits Fund from January 2024

Only until the end of 2023, benefits paid from the Company Social Benefits Fund are exempt from advance tax up to PLN 2,000. From January 2024, the amount of the exemption returns to the pre-pandemic level, i.e. to PLN 1,000.

The exemption applies to benefits in kind that are not vouchers, vouchers or other signs entitling them to measure on goods or services. The exemption also applies to cash benefits that are financed for social activities in accordance with the Act of 4 March 1994 on the Company Social Benefits Fund. The tax exemption up to PLN 1,000 applies only to employees. Benefits from the Company Social Benefits Fund paid to contractors, regardless of the amount, are subject to advance tax.

8. Public holidays in 2024

In 2024, public holidays are Sundays and the following days:

Date	Day of the week	Name of the holiday
01.01.2024	Monday	New Year's Day
06.01.2024	Saturday*	Epiphany
31.03.2024	Sunday	Easter Sunday
01.04.2024	Monday	Easter Monday
01.05.2024	Wednesday	Labor Day
03.05.2024	Friday	Constitution Day of the Third of May
19.05.2024	Sunday	Pentecost (Pentecost)
30.05.2024	Thursday	Corpus Christi
15.08.2024	Thursday	Assumption of the Blessed Virgin Mary
01.11.2024	Friday	All Saints' Day
11.11.2024	Monday	Independence Day
25.12.2024	Wednesday	Christmas
26.12.2024	Thursday	Christmas

*Employees should be given an additional day off for the holiday falling on a Saturday, i.e. January 6, 2024. The day off should be granted within the reference period applicable in the workplace (e.g. one or three months).

9. Summary of the most significant changes in 2023


- A new PIT-2 template and a wider range of persons who can benefit from the tax-reducing amount.
- The tax-reducing amount can be applied to up to three payers; It is then, depending on the variant, 1/12, 1/24 or 1/36 of the annual amount, i.e. PLN 300, PLN 150 or PLN 100.
- Possibility to file a motion not to apply tax-deductible costs when determining PIT advances.
- Amendment to the Labour Code concerning the legal authorization of remote work.
- Introduction of regulations clarifying sobriety testing.
- Amendment to the Labour Code concerning probationary period contracts. The duration of a probationary contract depends on the period for which the employer intends to conclude another employment contract.
- Amendment to the Labour Code concerning the need to provide a reason for terminating a fixed-term contract.
- Changes in maternity leave, parental leave, additional 9 weeks of parental leave for the other parent.
- Introduction of an additional, unpaid carer's leave of 5 days per calendar year.
- Introduction of the possibility of taking time off work due to force majeure in the amount of 2 days (or 16 hours) in a calendar year. This is paid leave at the rate of 50% of salary.
- Possibility of flexible work arrangements for an employee raising a child up to 8 years of age.
- Significant expansion of information on employment conditions.
- Changes from 1 July due to the end of the state of pandemic mainly concern health and safety training, occupational medicine examinations, work permits for foreigners.
- From 1 September, the amount of exemption from social security contributions for meals made available to employees will change from PLN 300 to PLN 450.

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