Cross-border and reportable arrangement

What is a cross-border arrangement

The obligation to provide information on an arrangement applies only if there is a cross-border aspect and the arrangement has an impact on tax liability, exchange of information on financial accounts or can conceal the beneficial owner. In the case of arrangements impacting tax liability, at least one of the cross-border conditions listed below must be met:

1. the persons participating in the arrangement are residents in different states or jurisdictions;
2. at least one of the persons participating in the arrangement is a resident in more than one state or jurisdiction at the same time;
3. at least one of the persons participating in the arrangement operates in a state or jurisdiction in which he is not resident.

In addition, cross-border arrangements that may make it difficult or impossible to exchange information on financial accounts and to identify beneficial owners are covered by the notification obligation.

What is a reportable arrangement

In the case of a reportable arrangement, the cross-border aspect must be fulfilled and the arrangement must comply with at least one of the criteria established by **Regulation No. 1 of the Minister of Finance of 17 January 2020 on criteria for cross-border arrangements** (for more information, see **"Arrangements that depend on the main benefit criterion"**). The regulation establishes an exhaustive list of criteria for reportable tax arrangements. The list is not exhaustive as regards exchange of information on financial accounts and identification of beneficial owners.

Last updated on 08.01.2025