

PCS GOOD MORNING HR |41/26

Dear Readers, as usual, we come to you with a selection of the most interesting HR news and topical issues of the past week.

LABOR INSPECTION RESULTS FOR THE FIRST QUARTER FOLLOWING REFORM

Since the start of the state Labour Inspection (PIP) reform, 1,362 complaints have been filed, and 607 conversions of contracts based on the Civil Code into employment contracts have been requested so far, with 535 executed to date. The most common reason for contractors to take action by filing a complaint is an employer's failure to comply with minimum hourly wage regulations. However, PIP notes that not all conversion requests resulted from individual complaints.

SUPREME COURT DECISION ON DISMISSAL OVER REFUSAL TO VACCINATE

The case involved the termination of a human resources employee at a blood donation center who chose not to receive COVID-19 vaccinations. The employer terminated her employment contract, citing a loss of trust due to her refusal to be vaccinated despite the obligation outlined in the amended COVID-19 emergency regulation. Two key issues examined in the case were whether the employer obtained this information in violation of the GDPR and the legal nature of an obligation imposed by a regulation rather than a statute. Following a review by a seven-member panel, the Supreme Court dismissed the employer's appeal without determining whether the employer's actions were lawful. The Court reasoned that the employer failed to demonstrate a direct causal connection between the grounds for dismissal and the claimed loss of trust. The court held that even though a vaccination requirement was established, the employer would still need to demonstrate a connection between the loss of trust and the employee's specific job duties. Ruling: II PSKP 25/26.

SUPREME ADMINISTRATIVE COURT: EMPLOYER-PROVIDED ACCOMMODATION FOR SECONDED WORKERS EXEMPT FROM PERSONAL INCOME TAX

In a recent judgment, the Supreme Administrative Court (NSA) ruled that the value of accommodation provided by an employer to a worker seconded to another location within Poland, similar to an assignment in another European Union Member State, does not constitute taxable income for the employee. Consequently, the employer is not required to withhold Personal Income Tax (PIT) on this benefit. The NSA's ruling resolves long-standing uncertainty among tax authorities and eliminates conflicting administrative court rulings regarding whether favorable tax treatment applies to domestic employee assignments. In the NSA's view, the worker's destination, whether abroad or elsewhere in Poland, is irrelevant when determining tax consequences. The location where work is performed does not, in itself, create taxable income for the employee. Adopting a contrary position would result in unjustified disparities in how employees are taxed, which in turn would be contrary to the constitutional principle of equality. The NSA's interpretation establishes a uniform tax treatment for employer-provided accommodation, regardless of whether an employee performs their duties domestically or internationally.

SOCIAL INSURANCE INSTITUTION AUDITS BECOME LESS FREQUENT BUT MORE EFFECTIVE The number of audits

conducted by the Social Insurance Institution (ZUS) has steadily declined year over year, reaching just 20,000 this year. However, these audits have proven more effective than in previous years, identifying financial irregularities in 90 percent of the audited entities. By comparison, ZUS previously conducted approximately 60,000 audits per year, with a 65 percent non-compliance detection rate. The most common audit findings involve incorrect deductions of social security contributions, with key focus areas including platform work, international transport, and employment agency activities.

FAVORABLE TAX INTERPRETATION REGARDING VAT DEDUCTIONS FOR COMPANY CARS

In a recently issued interpretation, the Head of the National Tax and Customs Information Service (KIS) issued a favorable ruling regarding the 100 percent VAT deduction for company vehicles. Tax authorities previously enforced a strict standard under which overnight home parking by an employee could establish potential personal use, thereby limiting VAT deductibility to 50 percent. However, in its August 10 interpretation, KIS affirmed the applicant's position, concluding that the operational restrictions presented by the company successfully prevented non-business use. Interpretation: 0114-KDIP4-2.4012.489.2026.2.WH.

Please do not hesitate to contact us: Karolina Kanclerz, attorney-at-law, partner, **Sławomir Paruch**, attorney-at-law, partner, and **Oskar Kwiatkowski**, attorney-at-law, senior lawyer.

UPCOMING EVENTS

- **Workshop: Trade union relations. Managing dynamics and costs** – October 14, 2026, 11:00 – 11:45, online. Register: *here*.
- **PCS HR Point: Aligning your anti-harassment policy with new legal standards** – October 15, 2026, 11:00 – 11:30, online. Register: *here*.

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