

PCS GOOD MORNING HR | 42/26

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

OCCUPATIONAL MEDICINE CERTIFICATES EXCLUSIVELY IN ELECTRONIC FORM

Starting October 18, occupational health medical certificates must be issued exclusively in electronic form. This marks the end of a 6-month transition period during which doctors were allowed to issue certificates in either paper or electronic form.

COMPENSATION FOR TIME AWAY FROM WORK EXEMPT FROM INCOME TAX

In a ruling dated September 9, 2026, the Supreme Administrative Court (NSA) confirmed that compensation for time off work awarded in a court judgment reinstating an employee is exempt from income tax. According to the court, what matters is the compensatory nature of the payment. (II FSK 1245/23).

SUPREME ADMINISTRATIVE COURT: EMPLOYER-FUNDED ACCOMMODATION DOES NOT ALWAYS CONSTITUTE TAXABLE INCOME

In a recent ruling, the Supreme Administrative Court indicates that an employer's financing of employee lodging does not necessarily constitute income subject to personal income tax (PIT). The key factor is determining whether the benefit serves the employer's interests or provides the employee with a measurable financial benefit. If the lodging is necessary for the performance of work duties and is in the employer's operational interest, its value may not constitute income for the employee. Therefore, employers must evaluate accommodation arrangements on a case-by-case basis, focusing on the business purpose and connection to job duties, rather than assuming all employer-funded housing is taxable. Judgment of the Supreme Administrative Court of September 29, 2026, II FSK 1259/24.

INTERNSHIPS ONLY UNDER AN EMPLOYMENT CONTRACT – UPDATED BILL

The third version of the proposed internship legislation clarifies that an internship must be carried out under a fixed-term employment contract. Interns are to be covered by most provisions of the Labor Code, including regulations on employment records and paid annual leave, with specific statutory exceptions. and the internship agreement is to last for a maximum of six months. Internship agreements would be capped at a maximum duration of six months. The updated draft also introduces fines ranging from 2,000 PLN to 60,000 PLN for offering internships for reasons other than delivering practical skills, professional knowledge, and work experience. However, legal experts and business leaders have expressed concern that these punitive measures and added costs could deter companies from offering internship opportunities. Link to the legislative process: *here.*

UNIFIED LIST PROPOSED FOR FOREIGN WORK AND RESIDENCE PERMIT PROCESSING

The Ministry of Labor has proposed creating a unified list of countries whose citizens would be eligible for streamlined access to the Polish labor market and simplified residence legalization procedures. This initiative would aim to reduce regulatory discrepancies and increase the transparency of procedures. Key proposed solutions include exempting specified nationalities from work permit requirements and automatically closing residency proceedings if administrative authorities remain inactive for 60 days. These changes address significant administrative delays: average processing times for residence permits currently stand at 341 days, exceeding 18 months in certain provinces. Link to the legislative process: *here.*

REMUNERATION FOR POWER OF ATTORNEY HOLDERS MAY BE EXEMPT FROM SOCIAL SECURITY

The Social Insurance Institution (ZUS) has confirmed that compensation paid to an authorized representative acting under a power of attorney is not automatically subject to mandatory social security contributions. The interpretation in question concerned the entrepreneur's son, who was already receiving remuneration under a contract of service (umowa zlecenia) subject to social security contributions, and was additionally to serve as an authorized representative with the power to act independently on behalf of the company. The key factor is whether the two sets of responsibilities remain strictly separate. Holding a power of attorney does not itself create social security liability; however, if performance under the power of attorney overlaps with duties covered by the mandate contract, ZUS may reclassify the payments and demand back contributions with interest. Letter dated August 19, 2026, Social Insurance Institution Headquarters DI/200000/43/2140/2026.

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UPCOMING EVENTS

- **Webinar: Before you hand over a notice of termination - 10 questions that may help avoid employment disputes** – October 20, 2026, 11:00 – 11:45, online. Register: *here*.
- **HR Compliance Summit 2026** – October 22, 2026, 10:00 – 13:50, online. Register: *here*.
- **Workshop: Civil-law contracts in hospitality, catering, events and entertainment sectors** – October 26, 2026, 11:00 – 12:00, online. Register: *here*.
- **Webinar: Crossborder = Sensitive: Investigations in an international context** – October 27, 2026, 11:00 – 11:45, online. Event in English. Register: *here*.

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