



TAX
ADVISORY

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The Central Register of Ultimate Beneficial Owners

On October 13, 2019 Poland will launch the Central Register of Ultimate Beneficial Owners [**The Register**] (in Polish *Centralny Rejestr Beneficjentów Rzeczywistych* - CRBR), thereby implementing the Directive of the European Parliament and the Council 2015/849 of May 25, 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing [**UE Directive**].

The Register will be used to gather and process the information about the ultimate beneficial owners [**UBO**] of the following entities:

- general partnerships,
- limited partnerships,
- limited joint-stock partnerships,
- limited liability companies,
- joint-stock companies with the exception of publicly listed ones.

All of the above-mentioned entities will have to report their UBOs, i.e. individuals who directly or indirectly control a given entity or individuals on whose behalf a business relationship is commenced or occasional (ad hoc) transactions are conducted.

For example, UBOs will be individuals who:

- hold at least 25% of shares in the entity, or
- 25% of voting rights (also obtained by e.g. pledge or usufruct of these voting rights), or
- controlling at least 25% of the assets of an entity.

If it is not possible to report the individuals who meet the abovementioned criteria, senior management (senior officials) of a given entity will be considered UBOs. For instance in the case of a trust: settlor, trustee, protector (supervisor), beneficiary, or any other person exercising control over the trust will be treated as UBO.

Persons reporting to The Register will be liable for damages caused by false data. Criminal liability for false data will apply as well. Not filing the data with the Register will be subject to a fine of up to PLN 1.000.000,00.

The UBO data will include identification data the reporting entity (name, organizational form, registered office, number in the National Court Register, tax identification number), as well as the identification data of the UBO and a member of the body or partner authorized to represent such

entities (name, surname, PESEL, country of residence, information on the size and nature of the shares or entitlements of the UBO).

Companies and partnership incorporated after 13 October 2019 will have to report within 7 days from the registration by the National Court Register (or data update to such Court). Entities already existing will have to report by the 13 April 2020.

Information submitted to The Register (including names and surnames, PESEL numbers of UBOs!) will be publicly and free-of-charge available to everyone on the relevant website.

If you are interested in obtaining further information, or would like to discuss the impact of the above on your business activity please contact:

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or your MDDP adviser.

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