

HOW TO FORM A COMPANY IN POLAND



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The oversight of Poland's financial market falls under the jurisdiction of the Polish Financial Supervision Authority. This entity plays a crucial role in ensuring the market's efficient operation and advancement, actively participating in the drafting of regulatory measures aimed at overseeing financial activities.

Distinct from traditional financial sectors, the realm of cryptocurrency business in Poland operates under separate regulations overseen by the Tax Administration Chamber. This body manages a specialized registry known as the Register of Virtual Currencies, where crypto-related activities are recorded.

To engage in cryptocurrency services within Poland, local companies must adhere to specific criteria outlined for various activities, including:

- Converting virtual currencies into fiat money or other cryptocurrencies through exchanges
Providing and managing virtual currency accounts, commonly known as cryptocurrency wallets.
- Offering brokerage services for virtual currency exchanges.

Oversight of cryptocurrency companies is conducted by the Ministry of Finance of Poland, with the establishment of the registry initiated on November 1, 2021. Existing businesses involved in virtual currencies have been granted a grace period of six months from this date to align with the new regulations and complete the requisite licensing process.

For newly registered cryptocurrency ventures in Poland, inclusion in the registry is mandatory before commencing operations post-November 1, 2021.

Support for crypto enterprises in Poland extends from several authorities, including:

- The Blockchain and New Technology Chamber of Commerce, advocates for industry interests in compliance with prevailing Polish legislation.
- The Innovative Hub serves as a platform where regulatory authorities engage with Fintech entities, offering virtual sandboxes to foster the growth of emerging Fintech startups.



Requirements for Establishing a Virtual Currency Company:

The process of founding a cryptocurrency enterprise in Poland mirrors that of establishing any other business entity. Among the most prevalent structures for crypto ventures in Poland is the Limited Liability Company (Sp z.o.o), which can be formed by one or multiple shareholders, including foreign non-residents, without the necessity of appointing a local director. Depending on documentation provision and institutional procedures, the establishment of a new company in Poland typically spans several weeks.

Key steps for establishing a new Limited Liability Company in Poland include:

1. Preparation of a unique company name for registration purposes.
2. Execution of a power of attorney for remote registration if necessary.
3. Acquisition of a notarized passport photocopy of the company's director/founder with an apostille attached.
4. Drafting the Deed of Formation, which necessitates preparation and signing in front of a Polish notary.
5. Requirement of a registered local office, verified through a lease agreement or alternatively, consideration of a virtual office.
6. Establishment of a corporate bank account in Poland.
7. Transfer of the authorized capital to the newly opened account, with a minimum requirement of 5,000 PLN (approx. 1,084 EUR), subject to a 0.5% Civil Transaction Tax.
8. Acquisition of a REGON (statistical) number.
9. Obtaining an NIP (tax identification) number.
10. Application for a VAT number.
11. Submission of an application for company registration with the National Court Register (KRS), requiring details such as REGON and NIP numbers, alongside an application for registration with the Social Insurance Institution (SII), with a registration fee of 500 PLN (approx. 108 EUR), and a processing time of up to 7 days.
12. Appointment of a Management Board for the company.

Furthermore, prior to registration with the Register of Virtual Currencies, it is crucial for the crypto enterprise to demonstrate the development of a transparent and reliable operational framework.



Specific Requirements for a Virtual Currency Company:

1. Inclusion of Hardware and Software Documentation: The business plan must encompass comprehensive documentation detailing the hardware and software utilized for cryptocurrency business operations.
2. Establishment of Internal AML/KYC Processes: Robust internal procedures must be devised to ensure compliance with Anti-Money Laundering (AML) and Know Your Customer (KYC) standards, alongside implementing effective risk control measures.
3. Appointment of an AML Officer: An AML officer, possessing relevant professional experience, is mandated. Importantly, this officer need not be a Polish citizen or resident.
4. Submission in Polish: All requisite documents must be submitted in Polish. Therefore, individuals who are not proficient in Polish or do not possess Polish documentation will require the services of a sworn translator.

Additionally, Online Obligations: Many obligations associated with running a company in Poland can be fulfilled online. For foreign directors lacking a Polish personal identification number (PESEL), obtaining one is necessary to acquire a Trusted Profile, facilitating electronic signing of applications and access to online business services.

Requirements for Company Directors and Founders:

- Clean Criminal Record: Directors and founders must furnish a certificate from law enforcement authorities attesting to the absence of convictions for criminal or tax offenses against public institutions, local government, justice administration, document credibility, property, economic transactions, monetary and securities trading, or any offenses motivated by material or personal gain, including intentional fiscal offenses.
- Demonstrated Financial Experience: Directors and founders are required to demonstrate a minimum of one year of experience in the virtual currencies sector. Alternatively, if this criterion cannot be met, they must undergo a course covering the legal and practical aspects of virtual currency businesses.



Registration Procedure for the Register of Virtual Currencies

Before commencing operations in Poland, every cryptocurrency company must undergo the crypto-authorization process to register with the Register of Virtual Currencies.

Applications are exclusively accepted electronically through the [Electronic Platform of Public Administration Services \(ePUAP\)](#). They must accurately reflect the facts and include all required documentation. If all conditions are met, the Tax Administration Chamber will register the company in the Register of Virtual Currencies within 14 days from the date of application receipt. In case of errors, corrections can be requested, albeit potentially extending the processing time.

The Polish regulatory body has not confirmed any recurring fees for supervising virtual currency companies in Poland.

Key stages of the application process include:

1. Acceptance of the application for entry into the Register.
2. Verification of the application.
3. Entry into the Register or issuance of a decision denying entry.

Types of Cryptocurrency Licenses in Poland

Within the Polish regulatory landscape, various types of crypto licenses cater to distinct operational requirements:

1. **Crypto Exchange License in Poland:** Designed for platforms facilitating the exchange of cryptocurrencies with fiat currencies.
2. **Crypto Broker License in Poland:** Enables companies to serve as intermediaries in cryptocurrency transactions, facilitating trade between parties.



3. **Crypto Trading License in Poland:** Intended for businesses directly involved in the purchase and sale of digital assets, enabling them to operate within legal parameters.
4. **VASP Crypto License in Poland:** Geared towards providers offering a range of cryptocurrency services, encompassing exchanges, wallet services, and other related offerings.

Crypto Licensing Process

Poland, as a member of the European Union, adheres to both national and EU regulations when issuing licenses. Being part of the Schengen area entails compliance with European Union Directives to access the broader European market. Therefore, to obtain a license for a cryptocurrency exchange with future prospects, the following steps are necessary:

- Establish a registered Polish company with a physical office presence. Merely having a nominal legal address is insufficient. Non-residents can opt for closed or open limited liability companies (Sp. z o.o) or joint-stock companies (SA).
- Open a bank account and deposit the required authorized capital. At the time of registration, the full amount must be paid upfront.
- Employ qualified staff and directors possessing expertise and education in finance.
- Develop a comprehensive business plan covering multiple years in advance. This plan should include documentation detailing the technical and software tools utilized for exchange operations.
- Formulate Anti-Money Laundering (AML) and Know Your Customer (KYC) compliance policies, alongside internal registers and regulatory controls.



Procedure for Obtaining a Cryptocurrency License in Poland

1. Company Registration Preparation and Submission:

- Compile and submit documents for remote registration of the company in Poland.
- Settle government fees associated with legal entity registration.
- Prepare initial declarations for both the Inland Revenue Service and beneficiary registries.
- Arrange for the rental of a legal address and mailbox for one year.
- Acquire the Polish tax identification number (PESEL), essential for electronic application submission via the ePUAP government service platform.

This process involves:

- Translation of a certified copy of the director's passport into Polish, authenticated by an apostille if certified by a foreign notary rather than the Polish Consulate.
- Dispatch of a document confirming the receipt of the PESEL tax number to the client.
- PESEL receipt timeframe: within 30 days from the client's submission of original documents and translations.

2. License Application and Company Registration in the Cryptocurrency Organizations Register:

- Prepare documentation for inclusion in the register of organizations operating in the cryptocurrency domain.
- Fulfill government fee obligations.
- Undertake the Anti-Money Laundering (AML) procedure as per Polish regulations.

The timeline for entry into the Polish cryptocurrency register is 14 days from the director's submission of the statement via ePUAP. However, this timeframe may be extended in case of system queries or lack of crucial documents.