

# Tax Agenda Hungary

June 2023



No.	Fact	Action			
1	<b>Tourism development contribution must be paid again</b> From 1 April 2023, tourism development contribution of the relevant companies at the rate of 4% (on the net sales revenue) should be assessed and paid again.	Review whether the company is subject to the tourism development contribution and assess its potential tax impacts.	●	●	●
2	<b>Changes in the extra-profit tax for pharmaceutical manufacturers</b> Pharmaceutical manufacturers are liable to pay the progressive extra-profit tax (at the rate of 1% to 8% on their revenue) if their revenue from extra-profit taxable activities exceeds 33.33% of their total revenue based on their latest annual report available on the first day of the tax year.	Review whether the company is subject to the extra-profit tax for pharmaceutical manufacturers after narrowing the scope of the regulation and assess its potential tax impacts.	●		●
3	<b>Changes in the contribution of commercial airlines</b> The lowest and highest tax rates of the airline contribution changed with a retrospective effect, i.e., from 1 January 2023. Furthermore, a new method of determining the tax base was also introduced.	Review whether the company is subject to the contribution of commercial airlines and assess the effect on its tax liability of the company.	●		●



Use text boxes above the timeline to plan your actions for coming months

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4	<p><b>New activity is exempt from the public health product tax</b></p> <p>From 1 March 2023, exemption from public health product tax can also be claimed for domestic product sales for taxable own produced products, subject to certain requirements.</p>	Review whether the company's activity is subject to the public health product tax and assess the effect of the new exemption criteria.	●	●
5	<p><b>Retail tax regulation clarified for taxpayers with non-calendar fiscal years</b></p> <p>If the taxpayer's fiscal year starts after 1 July 2022, they are obligated to apply the increased rate of retail tax and additional tax advance to the fiscal year starting after 1 July 2022.</p>	Review whether the company is subject to the retail tax and assess its potential tax impacts.	●	
6	<p><b>The tax refund related to spectator sport donation continues</b></p> <p>According to the decision of the European Commission, the system of the tax refund related to spectator sport donation can continue for another six years, i.e., until June 2029.</p>	Assess potential the tax impacts of starting or continuing to use the spectacle team sports supporting tax credit.	●	●
7	<p><b>Expansion of the range of excise goods</b></p> <p>From 1 February 2023, tobacco free heated products (i.e., made from fruits or herbals instead of tobacco, also known as heat(ed) stick or nicotine-free herbal sticks) designed for special tobacco heating devices are also included in the category of tobacco products. From 1 July 2023, such products can only be purchased in tobacco shops.</p>	Review whether the company product range contains heating sticks and assess its potential tax impacts.	●	● ●

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