Tax Agenda Hungary

October 2024

Shape the future with confidence

No.	Fact	Action	Compliance	Risk management	Cash-flow or ETR impact
1	**Decrease in the Central Bank base rate** The Hungarian National Bank decreased the Central Bank base rate on 24 July 2024 by 0.25 percentage points, from 7.00% to 6.75%	Assess if the company has any loan transactions with the interest rate tied to the Central Bank base rate.	●		●
2	The fine for failing to comply has increased From 1 August 2024, the maximum fine for non-compliance has been increased for natural persons from HUF 200,000 (approx. EUR 510) to HUF 400,000 (approx. EUR 1,020), and for non-natural persons from HUF 500,000 (approx. EUR 1,300) to HUF 1 million (approx. EUR 2,500).	Review whether the company is correctly applying the corresponding regulations to avoid significant financial penalties.	●	●	
3	Tax penalties have increased From 1 August 2024, the maximum penalty for undeclared workers has been increased from HUF 1 million (approx. EUR 2,500) to HUF 2 million (approx. EUR 5,000). The penalty for not issuing an invoice or failing to meet document retention obligations has also increased from HUF 1 million to HUF 2 million.	Review whether the company is correctly applying the corresponding regulations to avoid significant financial penalties.	●	●	

Oct Nov Dec Jan

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

Compliance *Risk management* *Cash-flow or ETR impact*

No.	Fact	Action
4	**Social security contribution tax benefit period for new labor market entrants has been shortened** From 1 August 2024, the gross wage, but no more than 13% of the minimum wage, can now only be claimed as a tax benefit during the first year of employment instead of the first two years. Instead of the third year of employment, only 50% of the 13% of the minimum wage can be claimed as a tax benefit in the 6 months following the first year.	Review whether the company has new employees who qualify for the tax benefit for new labor market entrants and assess its potential compliance and tax impacts.
5	**Changes related to the special tax on credit institutions and financial enterprises** It has been specified that the face value of government securities must be used to calculate their daily average stock. Additional restrictions have been implemented regarding which acquired government securities may not be considered when calculating the amount that reduces the special tax.	Review whether the company falls under the scope of the special tax on credit institutions and financial enterprises and assess its potential compliance and tax impacts.
6	**Financial transaction duty rates have been increased** From 1 August 2024, as a general rule, the duty rate is increased from 0.3% to 0.45%, with the maximum duty per transaction rising from HUF 10,000 (approx. EUR 25) to HUF 20,000 (approx. EUR 50). For cash withdrawals from a payment account and cash withdrawals using a cash substitute payment instrument, the duty rate is increased from 0.6% to 0.9%.	Review whether the company falls under the scope of financial transaction duty and assess its potential compliance and tax impacts.
7	**Stock transaction duty rates have been increased** From 1 August 2024, the rate of duty for investment service providers is increased from 0.3% to 0.45% and the maximum amount per purchase is increased from HUF 10,000 (approx. EUR 25) to HUF 20,000 (approx. EUR 50).	Review whether the company falls under the scope of stock transaction duty and assess its potential compliance and tax impacts.
8	**Supplementary transaction duty rates have been introduced** From 1 October 2024, an additional supplementary transaction duty will apply to transactions involving foreign exchange conversion, which will be payable on top of the current transaction taxes. The rate is 0.45%, up to a maximum of HUF 20,000 (approx. EUR 50).	Review whether the company falls under the scope of supplementary transaction duty and assess its potential compliance and tax impacts.
9	Changes to the list of non-cooperative states for tax purposes As of 9 July 2024, the list of tax non-cooperative states has been changed. The Bahamas and the Turks and Caicos Islands have been removed, while Antigua and Barbuda and Russia have been added to the list.	Review whether the company has business relationships in the countries on the new list of non-cooperative states for tax purposes and assess its potential compliance and tax impacts.

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