



# Tax Agenda Hungary

July 2025



The better the question. The better the answer. The better the world works.



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No.

Fact

Action

**Reporting shares for domestic resident taxpayers post-cross-border transformation**  
Taxpayers who transition to domestic resident status through cross-border transformations can report shares acquired prior to residency within 75 days of their legal declaration or court registration. The new provision applies to cross-border transformations completed after its entry into force, allowing taxpayers to report previously acquired shares within 75 days for transactions completed between 1 January 2024, and the provision's entry into force.

Establish processes to track and report share acquisitions during the transition period, particularly for transactions occurring between 1 January 2024, and the provision's entry into force.



**Clarification on preferential transfer of assets for corporate income tax**  
The amendment specifies that the separation of assets qualifies as a "preferential transfer of assets" for corporate income tax purposes, providing clarity on the tax implications of such transactions.

Review and adjust corporate tax approaches to align with the new classification of asset separations as preferential transfers, ensuring compliance with corporate income tax regulations.



**Increase in tax base reduction limit for collaborative R&D activities**  
The limit for tax base reduction on direct costs of R&D activities conducted in collaboration with higher education institutions, the Hungarian Academy of Sciences, and research institutes will rise from 50 million HUF to 150 million HUF, applicable even for the 2025 tax year.

Evaluate and adjust R&D investment strategies to take advantage of the increased tax base reduction limit, ensuring compliance and improving potential tax benefits for collaborative projects.



**Clarification on tax base adjustments for transformations, mergers or demergers**  
The draft legislation clarifies that during transformations, mergers, or demergers, tax base adjustment items related to the tax book value and revaluation difference can be applied even without a final balance sheet.

Review and update accounting practices to ensure proper application of tax base adjustments during transformations, mergers, or demergers, even in the absence of a final balance sheet.



**Proportional tax base adjustment for partial non-compliance in preferential asset transfers**  
In the event of a preferential asset transfer, if the statutory maintenance obligation is only partially unmet, both the transferor and transferee are required to adjust the tax base only in proportion to the non-compliant portion. This new rule applies to defaults occurring after the Act's entry into force.

Implement procedures to assess compliance with statutory maintenance obligations during preferential asset transfers, ensuring that tax base adjustments are made proportionally to any non-compliant parts.



Jul



Aug



Sep



Nov



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

Compliance

Risk management

Cash-flow and ETR impact

No.	Fact	Action
6	<b>Tax base adjustment for own shares under IFRS</b>	Review and update accounting policies to ensure the proper application of tax base adjustments for own shares, regardless of the timing of their repurchase in relation to derecognition
7	<b>Clarification on energy efficiency tax credit rules</b> The draft legislation addresses the lack of a transitional provision regarding a previous amendment to the energy efficiency tax credit, clarifying that the rules effective from 1 December 2023, will apply to investments and renovations for energy efficiency purposes initiated after 30 November 2023.	Prepare to implement the new energy efficiency tax credit rules by reviewing upcoming investments and renovations planned after November 30, 2023, to ensure compliance and increase available tax benefits.
8	<b>Repeal of exclusivity requirement for independent environmental investments</b> The requirement for exclusivity in defining independent environmental investments will be repealed, allowing investments that serve multiple purposes, not solely those under the Act on the General Rules of Environmental Protection, to qualify as independent environmental investments. This new provision will first apply to notifications or applications submitted after its entry into force.	Review and adjust investment strategies to take advantage of the new definition of independent environmental investments, ensuring that applications and notifications submitted after the entry into force comply with the updated criteria.
9	<b>Elevation of special tax payment obligation for financial institutions to statutory law</b> The rules governing the special tax payment obligation for credit institutions and financial enterprises will be elevated from government decrees to statutory law, retaining the same content.	Ensure compliance with the newly codified statutory law regarding special tax payment obligations by reviewing internal policies and procedures for credit institutions and financial enterprises.
10	<b>Tax base and rates for credit institutions and financial enterprises in 2026</b> For credit institutions and financial enterprises, the tax base for the 2026 tax year will be determined using the financial statements from the 2024 tax year, with no modifications to the tax base adjustment items. The applicable tax rate will be 8% for a tax base up to HUF 20 billion, and 20% for amounts exceeding that threshold.	Ensure accurate financial reporting for 2024 to determine the tax base for 2026, and review tax approaches to effectively manage liabilities under the specified tax rates and thresholds.

No.	Fact	Action
11	<b>Allowance for government securities for credit institutions and financial enterprises in 2026</b>	<p>Evaluate the stock of government securities to ensure compliance with the allowance conditions and adjust financial strategies to leverage this benefit for the 2026 tax year.</p>  
12	<b>Special tax payment obligation for petroleum product producers elevated to statutory law</b> The special tax payment obligation for petroleum product producers will be elevated to statutory law, remaining in effect for the 2025 and 2026 tax years. The rules governing the assessment, declaration and payment of the tax will remain unchanged and consistent with the existing provisions outlined in the government decree.	<p>Review and ensure compliance with the statutory requirements for the special tax payment obligation, maintaining adherence to the established rules for assessment, declaration, and payment for the 2025 and 2026 tax years.</p> 
13	<b>Amendment to notification deadline for top-up tax liability</b> The draft legislation amends the deadline for tax authority notification regarding the top-up tax liability, requiring that notification be made by the last day of the second month following the end of the tax year (i.e., 28 February for calendar year taxpayers).	<p>Update internal processes to ensure timely notification to the tax authority regarding top-up tax liabilities by the revised deadline, facilitating compliance with the new legislative requirements.</p> 
14	<b>Income tax rate changes for energy suppliers</b> The income tax rate for energy suppliers will be set at 41% for the 2025 tax year, decreasing to 31% starting in the 2026 tax year.	<p>Review and adjust financial forecasts and tax considerations to account for the upcoming changes in income tax rates for energy suppliers in 2025 and 2026.</p>  
15	<b>Continuation of insurance surtax obligation elevated to statutory law</b> The insurance surtax obligation will remain in effect for the 2025 and 2026 tax years, as the provisions previously defined by a government decree will be elevated to statutory law without any changes.	<p>Ensure compliance with the insurance surtax obligation by reviewing internal policies and procedures and prepare for its continued application in the 2025 and 2026 tax years.</p>  
16	<b>Elevation of preferential tax base determination rule for insurance tax</b> The legislation will elevate the rule allowing taxpayers to apply the preferential tax base determination if their aggregate tax base did not reach HUF 20 billion in the previous calendar year, replacing the previous threshold of HUF 8 billion.	<p>Review and adjust tax considerations to take advantage of the increased threshold for preferential tax base determination, ensuring compliance with the new legislative requirements.</p>  

**No.****Fact****Action**

<b>17</b>	<b>Elevation of retail sector special tax provisions to statutory law</b> The provisions regarding the special tax on the retail sector, previously regulated by a government decree, will be elevated to statutory law for the tax years 2025 and 2026. Consequently, the tax base determination rules established for the 2025 tax year will also apply to the 2026 tax year, and the tax rates for both years will remain as prescribed in the government decree for the 2025 tax year.	Ensure compliance with the newly codified statutory provisions for the special tax on the retail sector by reviewing internal policies and preparing for the application of the same tax base determination rules and rates for both 2025 and 2026.	
<b>18</b>	<b>Introduction of financial transaction tax on electronic money accounts</b> A new provision mandates the payment of a financial transaction tax on payment transactions executed against electronic money accounts.	Review and update financial transaction processes to ensure compliance with the new tax obligations related to electronic money accounts, and assess the potential impact on transaction costs and pricing strategies.	
<b>19</b>	<b>Recognition of top-up tax payment obligation for global minimum tax</b> Taxpayers subject to the global minimum tax are required to recognize the expected additional top-up tax payment obligation for the current year as a passive accrual. This accrual must be reversed upon the declaration of the final top-up tax amount.	Implement accounting procedures to accurately recognize and manage the passive accrual for the expected top-up tax payment obligation, ensuring timely reversal upon final declaration of the tax amount.	
<b>20</b>	<b>Postponement of consolidated sustainability reporting regulations</b> The rules for preparing consolidated sustainability reports will now first apply to the business year starting in 2027 for the affected companies. The scope of the affected companies remains unchanged; only the entry into force of the provision has been postponed by an additional two years.	Prepare for the upcoming sustainability reporting requirements by reviewing current practices and ensuring readiness for compliance by the 2027 business year, while taking advantage of the additional time to align reporting processes with the new regulations.	
<b>21</b>	<b>Further postponement of sustainability reporting requirements for certain companies</b> For companies that do not qualify as micro-enterprises and whose securities are traded on a stock exchange in an EEA country, the sustainability reporting requirements will now first apply to the business year starting in 2028. This amendment further postpones the effective date of the provisions by an additional two years.	Review and adjust internal reporting practices to ensure compliance with the sustainability reporting requirements by the 2028 business year, utilizing the extended timeline to enhance reporting frameworks and align with regulatory expectations.	
<b>22</b>	<b>Exemption from transfer tax for renewable energy structures</b> The portion of the market value attributable to solar power plant and wind power plant structures will be exempt from the transfer tax payable on the market value of the property. This regulation aims to ensure that the tax obligation arises only after the acquisition of property ownership. This provision may also be applied to ongoing cases that have not yet been definitively assessed by the tax authority.	Review property transfer transactions involving solar and wind power plant structures to apply the transfer tax exemption appropriately and ensure that ongoing cases are assessed under this new provision to apply tax provisions.	

No.	Fact	Action
23	<p><b>Elevation of VAT exemption threshold for small businesses</b></p> <p>The bill elevates the threshold of eligibility for VAT exemption for small enterprises from 18 million HUF, transitioning it from a government decree to statutory law.</p>	<p>Review and adjust business operations and financial planning to align with the new VAT exemption threshold for small enterprises, ensuring compliance with the updated legislative requirements.</p>
24	<p><b>Amendments to VAT exemption rules for small businesses</b></p> <p>The proposal includes further amendments related to specific detailed rules of the VAT exemption for small businesses, such as the expansion of the scope of cases for termination and adjustments to tax liability concerning the purchase of new means of transport.</p>	<p>Review the detailed rules and amendments regarding VAT exemptions to ensure compliance and understanding of the expanded scope of termination cases and tax liabilities and adjust internal policies and procedures accordingly.</p>
25	<p><b>Mandatory declaration for reverse charge on natural gas sales</b></p> <p>The bill mandates a declaration in connection with natural gas sales that will be subject to reverse charge starting 1 January 2025. According to the proposal, if gas is sold to a taxable trader by another taxable trader through the natural gas system within the Community or any connected network, the customer must declare in advance and in writing to the seller that they qualify as a taxable trader (indicating that the product is intended for resale).</p>	<p>Prepare for the implementation of the reverse charge mechanism by establishing procedures for obtaining and documenting the mandatory declarations from customers who qualify as taxable traders, ensuring compliance with the new requirements by the effective date.</p>
26	<p><b>Postponement of mandatory e-receipt data reporting</b></p> <p>The general mandatory e-receipt data reporting deadline has been postponed from the originally planned date of 1 July 2025, to 1 September 2026.</p>	<p>Utilize the extended timeline to prepare for the implementation of mandatory e-receipt data reporting by reviewing current systems and processes, ensuring compliance with the new deadline.</p>
27	<p><b>Extension of data reporting obligations for VAT payers</b></p> <p>The reporting obligation for VAT payers will be extended effective 1 September 2026. According to the amendment:</p> <ul style="list-style-type: none"> <li>Mandatory data from documents, invoices, and documents considered equivalent to invoices issued with e-receipts and e-cash registers must be regularly reported to the tax authority at the time of their issuance.</li> <li>For receipts issued by other means and documents considered equivalent, there is an obligation to provide data within three calendar days following their issuance.</li> </ul>	<p>Prepare for the upcoming data reporting obligations by reviewing and updating internal processes for reporting e-receipts and other documents to ensure compliance with the new requirements by the effective date.</p>
28	<p><b>Data reporting requirement for legal succession</b></p> <p>In cases of legal succession, the legal successor is required to provide the tax number of the legal predecessor in the domestic summary report when reporting data on invoices issued by the legal successor for transactions performed by the legal predecessor.</p>	<p>Ensure that internal reporting processes are updated to include the requirement for providing the tax number of the legal predecessor in domestic summary reports during legal succession, facilitating compliance with the new data reporting obligation.</p>

No.	Fact	Action
29	<b>Data reporting requirement for VAT group taxpayers</b>	Update data reporting procedures to ensure that the tax number of the group member is included in reports related to economic events conducted by VAT group taxpayers, ensuring compliance with the new requirement.
30	<b>Use of data reporting in audits and inspections</b>	Implement robust data management and record-keeping practices to ensure that all reported data is accurate and readily accessible for audits and inspections, enhancing compliance and preparedness during the limitation period.
31	<b>Preparation for the application of the EUDR by hungarian state administration</b>	Stay informed about the developments regarding the EUDR and assess the potential impact on operations and compliance requirements. Prepare to adapt internal policies and practices in alignment with the forthcoming regulations as they are implemented.
32	<b>Amendment to the act on excise duty regarding tax advances</b>	Review and update internal processes to accommodate the new provision for modifying tax advances, ensuring that tax warehouse licensees are informed about the criteria and procedures for requesting a reduction when applicable.
33	<b>Amendment to the range of controlled mineral oils</b>	Farmers and relevant stakeholders should review their permits and compliance obligations in light of the new inclusion of light distillates under the controlled mineral oils category, ensuring that they remain compliant with the updated regulations.
34	<b>Extension of preferential 0% tax rate to bottled spritzers</b>	Review pricing and tax considerations for bottled spritzers to take advantage of the extended 0% tax rate, ensuring compliance with the new regulations and managing financial planning accordingly.

No.	Fact	Action
35	<p><b>Reporting obligation for tobacco consignments and increased fines</b></p> <p>The bill establishes a reporting obligation for consignments of dried and fermented tobacco passing through the territory of the country. Additionally, it increases the fine for non-private taxpayers who fail to comply with the statutory data reporting obligation or do not fulfill it lawfully, raising the penalty to HUF 200,000.</p>	<p>Ensure compliance with the new reporting obligations for tobacco consignments by reviewing internal processes and training staff accordingly. Additionally, assess the potential financial impact of the increased fines and implement measures to reduce the risk of non-compliance.</p>
36	<p><b>Tax exemption for accommodation in workers' accommodation</b></p> <p>The tax exemption for accommodation in workers' accommodation will now also apply to employees working at the branch office. Currently, housing provided by the branch office to employees is taxed as part of their regular wage income.</p>	<p>Review and update payroll and tax reporting practices to reflect the new tax exemption for accommodation provided to branch office employees, ensuring compliance with the updated regulations and improving employee compensation packages.</p>
37	<p><b>Repeal of provision on trust asset management contracts</b></p> <p>The provision stating that the conclusion of a trust asset management contract or the establishment of a foundation (or joining the foundation) shall not be considered as exercising the right of disposal by the settlor or the private individual founding the foundation will be repealed.</p>	<p>Review and assess the implications of this repeal on existing trust asset management contracts and foundation structures. Legal and financial advisors should be consulted to ensure compliance and to understand the potential impact on asset management strategies and rights of disposal.</p>
38	<p><b>Rationale for repeal of trust asset management provision</b></p> <p>The repeal of the provision regarding trust asset management contracts is based on the legislator's assessment that the existing rule erroneously assumes that by concluding a trust asset management contract, the settlor exercises the right of disposal over the future yields of the assets placed in trust.</p>	<p>Stakeholders involved in trust asset management should review the implications of this repeal and reassess their approaches and agreements in light of the new understanding of rights associated with trust assets. Legal counsel may be necessary to navigate the changes and ensure compliance with the updated regulations.</p>
39	<p><b>Tax obligations in simplified voluntary liquidation</b></p> <p>In the case of simplified voluntary liquidation, the taxpayer's tax obligations and tax rights will not be fulfilled by the liquidator, but rather by the executive officer.</p>	<p>Ensure that executive officers are aware of their responsibilities regarding tax obligations and rights during the simplified voluntary liquidation process. It may be beneficial to provide training or resources to facilitate compliance and understanding of these duties.</p>
40	<p><b>Update to monthly income tax and social contribution return</b></p> <p>The monthly income tax and social contribution return will be supplemented with data regarding the new exemption from infant care and child care allowance, which will be introduced into the Personal Income Tax Act effective 1 July 2025.</p>	<p>Prepare for the upcoming changes by updating internal reporting systems and processes to include the new exemption data in the monthly income tax and social contribution returns. Ensure that relevant staff are informed and trained on the new requirements to maintain compliance by the effective date.</p>

**No.****Fact****Action****41****New tax audit deadline provisions for chain transactions**

A new category has been introduced regarding the examination of multiple taxpayers involved in a chain of transactions.

- The audit deadline may be extended to 365 days for reliable and other taxpayers not subject to company registration, and to 540 days for other taxpayers.
- For reliable taxpayers, the current allowance that limits the audit deadline to 180 days will be modified, allowing for an extension up to 365 days in the case of chain audits.
- If there is a change in the reliable classification during the extension period, or if the reliable taxpayer fails to cooperate in a manner that hinders the audit, the audit deadline may be extended to 540 days on one additional occasion.

Taxpayers involved in chain transactions should review their compliance and cooperation processes to ensure they are prepared for potential audits under the new provisions. It may be beneficial to consult with tax advisors to understand the implications of these extended deadlines and to develop approaches for maintaining reliable taxpayer status.

**42****Extension of limitation period for establishing tax liability of former members**

The limitation period for the procedure to establish the liability of a former member transferring their share in a legal entity with tax debts will be increased from 90 days to 120 days, and from 30 days to 60 days. This provision will also apply to cases that are already pending.

Legal entities and former members should review their records and compliance status regarding tax debts to understand the implications of the extended limitation periods. It may be prudent to consult with legal or tax advisors to ensure proper handling of any pending cases and to prepare for potential liabilities under the new timeframe.

**43****Tax authority's right of retention on budgetary support**

The tax authority is granted the right of retention concerning budgetary support (reclaim, refund) that a taxpayer is entitled to, in cases where the taxpayer has ceased to exist without a legal successor. This right applies to the further holder of the budget support (reclaim, refund).

Taxpayers and entities involved in budgetary support should be aware of the implications of this provision, particularly in cases of dissolution without a legal successor. It may be beneficial to consult with legal or tax professionals to understand the potential impact on budgetary claims and to ensure compliance with the new regulations.

**44****Reintroduction of prior consultation in tax ruling procedure**

The tax ruling procedure will now include the possibility of prior consultation, which can be initiated before the submission of the application.

Taxpayers considering a tax ruling should take advantage of the prior consultation option to clarify any uncertainties and receive guidance before formally submitting their application. Engaging with tax advisors during this consultation phase may enhance the likelihood of a favorable ruling and ensure compliance with relevant regulations.

**45****Increase in fees for preliminary tax assessment**

Effective from the 31st day after the announcement of the amendment, the fees for preliminary tax assessments will be increased as follows:

- Standard Contract: HUF 12 million (previously HUF 10 million)
- Standard Contract under Emergency Procedure: HUF 16 million (previously HUF 12 million)
- Non-Standard Contracts: HUF 10 million (previously HUF 8 million)
- Non-Standard Contract in Emergency Procedure: HUF 14 million (previously HUF 12 million)
- Preliminary Consultation: HUF 1 million per consultation.

Taxpayers should review their upcoming tax assessment needs and budget accordingly for the increased fees. It may be beneficial to consult with tax advisors to understand the implications of these fee changes and to plan for any necessary preliminary consultations before the fee increase takes effect.

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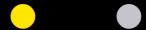
Action

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#### Changes to fees and rules for Advanced Pricing Agreements (APA)

- Fee Increase: The fees for APAs will increase by HUF two million, with the fee for preliminary consultation set at HUF one million.
- Tightened Refund Rules: The rules concerning the refund of 85% of the fee will be tightened, particularly in cases of termination or rejection of the application.
- Procedure Changes: If a taxpayer initially initiates the APA procedure as unilateral but later wishes to change it to a bilateral or multilateral procedure, they must pay the fee for the higher bilateral or multilateral APA procedure. Conversely, if a bilateral or multilateral procedure is changed to a unilateral one, the higher fee for the bilateral or multilateral procedure will still apply.

Taxpayers considering an APA should prepare for the increased fees and review their application strategy, especially if they are contemplating changes between unilateral, bilateral, or multilateral procedures. Consulting with tax advisors may help in navigating these changes and ensuring compliance with the new fee structure and refund rules.



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#### Easing of penalties for undeclared employees in simplified employment 1/2

The rules regarding default penalties and other legal consequences applicable to undeclared employees will be eased as follows:

1. No default penalty for simplified employment:

- In cases of simplified employment, no default penalty will be imposed if:
  - The reporting obligation for simplified employment was not fulfilled, but the related tax return and tax payment obligations were completed by the deadline and before the audit begins.
  - The notification regarding the simplified employment is made by the deadline for submitting comments on the minutes of the audit.

Employers utilizing simplified employment should ensure compliance with the reporting, tax return, and payment obligations to avoid penalties. It is advisable to establish internal processes for timely notifications and to consult with tax advisors to understand the implications of these eased penalties and to ensure adherence to the new rules.



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#### Easing of penalties and publication rules for undeclared employees 2/2

The rules regarding default penalties and other legal consequences for undeclared employees will be eased as follows:

2. Removal from publication list:

- Employers can be removed from the publication list of employers of undeclared workers if:
  - They failed to report only up to five individuals.
  - The taxpayer pays a "penalty for publication" that corresponds to 10 times the default penalty imposed.

Employers should be proactive in managing their reporting obligations to avoid being listed as employers of undeclared workers. If a minor reporting failure occurs (up to five individuals), they should consider paying the publication penalty to facilitate their removal from the publication list. Consulting with tax advisors can provide clarity on compliance and the implications of these eased penalties.



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