

**Remarks by Ambassador Stephen D. Mull
Ceremony to Sign New U.S.-Poland Income Tax Treaty
Ministry of Finance
February 13, 2013**

Deputy Minister Grabowski, it is a pleasure to join you today for this important event. Mr. Krysiak, thank you for your introduction.

This morning we have signed a new agreement on income taxes between the United States and Poland—updating our existing treaty that was originally signed by Secretary of State Henry Kissinger and Polish Foreign Minister Stefan Olszowski in 1974.

A lot has changed since that time. Above all, of course, Poland now has a strong market economy and a democratically elected government. The United States and Poland are now close allies

and commercial partners in a way that was unimaginable in 1974. With all of these changes, it was time to modernize the bilateral tax relationship between the United States and Poland.

The treaty provisions are meant to achieve goals that our two countries share, including :

- enhancing the exchange of information;
- applying current methods for taxing business profits; and
- ensuring that only residents of our two countries enjoy the benefits of this treaty.

But the most important objective of the new treaty is to enable an efficient flow of cross-border investment that will not be hampered by tax-related barriers. In fact, this treaty, when it goes into effect, will generally reduce withholding taxes on cross-border payments of dividends, interest, and royalties.

One of my chief goals as U.S. Ambassador to Poland is to promote greater economic and commercial cooperation between our two countries. As the representatives of the Polish government and of American business in this room know, our commercial relationship is already strong, but has the potential to grow even further. This treaty, I believe, will help strengthen that relationship by making it easier more attractive not only for American companies to do business in Poland, but for Polish companies to invest in the United States.

This important treaty is the product of four years of hard work by the negotiating teams of both Poland and the United States. I know some of you, including Mr. Krysiak, are in this room today, and I offer my congratulations to all those involved.

Minister Grabowski, with today's treaty signing we have taken an important step to adapt to the many changes that have occurred over the last 38 years, and to bolster the economic ties between our two countries.