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**BUSINESS ACTIVITY IN ADMINISTRATIVE  
AND PRIVATE AND LEGAL ASPECTS AS WELL  
AS INTERPRETATION AND COLLISION  
OF STATUTORY DEFINITIONS**

**Summary**

*The paper tries to conduct an analysis of the existing definitions of business activity in the Polish legal system. Polish legal regulations assume in their subject matter a statutory concept of business (economic) activity. The term business activity is present in a number of detailed legal acts in an autonomous sense, independent from other also binding definitions. The research methods applied by the author of the paper contain critical analysis of the available literature on the subject, comparative analysis of regulations that govern business activity with respect to linguistic, systemic and functional interpretation. The factor of homogeneity of law with respect to the definition of business activity is also subject of analysis in the paper. There are two kinds of economic law in the doctrine i.e. public economic law (typically of administrative nature) and private economic law which regulates the civil and legal relations. Both categories of law are closely interlinked, because they are both binding and as a whole regulate the functioning of business entities in Poland. Private law regulates property and material relations of legal entities called entrepreneurs who are autonomous in legal turnover and are its equal partners. Public law regulates the relation of authoritative administrative assignment exercised by the State. The right to conduct business activity constitutes a part of public economic law, it regulates the existence of an entrepreneur, while the relations between entrepreneurs are the domain of private economic law. Business entities functioning on the market must meet a number of statutory requirements and act according to provisions of law. They must also fulfil certain obligations for the benefit of the State and other entities in business turnover. Polish regulations in force are not homogeneous with respect to the definition of an entrepreneur and business enterprise. This issue is very problematic, even though the definitions contained in various acts are very similar to one another, yet they are not uniform which, to a large extent, makes conducting business operations more complicated. Confusing legislation in force puts business entities in an uneven light*

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*before various state institutions which impose their respective obligations on the entrepreneurs. In the paper the author makes an attempt to systematize various definitions of an entrepreneur in Polish legal regulations; he also points to differences in particular acts and discusses related consequences.*

**Key words:** *public and private economic law, legal regulations for entrepreneurs, economic activity in Poland*

## **1. Private and public economic law**

In the doctrine two types of economic law can be distinguished i.e. public economic law, called administrative law and private economic law. Both categories are interlinked. The main, fundamental criterion for division is, of course, belonging to private law or public law. Private law in this area regulates property relations of legal entities – entrepreneurs who are entitled to autonomy in legal transactions; they are the entities of law, on the basis of the equivalence. Public law regulates the attitude of imperious subordination, (administrative subordination) in which one of the parties in a legal relationship are public entities (broadly speaking public authorities, be it governmental or local). It should be noted, however, that there is a correlation between the two branches, because only the two regulations together form a legal system that defines the rules of functioning of entrepreneurs on the market. The relations of business trading are regulated on the basis of civil law regulations; it is primarily the conclusion of the contracts that bind the parties. The State may also take part in the economic turnover, however, in the conditions of market economy only to a limited extent, as an entity acting under provisions of private law.

Entrepreneurs participate in business trading in a natural way. The conditions for starting, running and closing economic activity are specified in public economic law. The conditions are defined in public interest to avoid malpractices in the process of their operation. Therefore, they are monitored and registered. This is the imperious role of the State, which, in the public interest, sets certain rules, sometimes even restricting the freedom of economic activity, through various tools such as permits or concessions. Public economic law within its jurisdiction establishes the rules of conducting business as well as various requirements in this respect such as the obligation to register business activity and other conditions that each business entity must meet in order to operate. Public economic law also determines rules and procedures as well as the boundaries to which the State may interfere within its governance. This is

all done in the public interest. Within public economic law a set of precise obligations of entrepreneurs towards the state is provided for as well as legal foundations for the right to interfere in the autonomy of entrepreneurs by state authorities. It is a guarantee that provides the State with the right to interfere; state interventionism is sanctioned in the provisions of public economic law.

Private business law regulates civil and legal economic relations of an equal nature. It is primarily the conclusion of contracts by autonomous legal entities in business turnover. The provisions of private business law are applied between entrepreneurs and between entrepreneurs and consumers. This distinguishes private law from public law. The latter regulates the relations of the ruling party with the subordinate party. The doctrine of public economic law defines entrepreneurs in a public law relationship as passive entities that are addressees of imperative laws established by the law in force which perform functions of supervision and planning of regulation of economy. The State plays a controlling, surveillance and protective role in the economy. In other words, private economic law regulates the forms of business organizations and legal relationships in business transactions, primarily through contracts concluded by entrepreneurs. Public economic law, on the other hand, regulates the legal concept of economic activity, defines a set of entities that can undertake and perform economic activity, determines the rights and obligations of entrepreneurs towards public entities, defines the ways of terminating economic activity, and the consequences that an entity which does not comply with the law in force must face (Mróz, Stec: pp. 9–12).

## **2. Definition and features of an entrepreneur**

Economic activity is undoubtedly of a subjective nature, which means, most of all, that in every situation the liability is assigned to a certain entity. An entrepreneur is defined as a natural person who can run a business in various organizational forms which are strictly defined in the Act. It should be noted, however, that also a person without full legal capacity is allowed to run a business, but in such a case certain restrictions apply due to the fact that this person while conducting business activity will not be able to undertake certain dispositive or binding legal actions; for these actions the consent of a statutory representative or a curator will be required. A legal person is an

entrepreneur who performs business activity on his or her own behalf. It is an organizational unit which by virtue of applicable laws, may be subject to rights and obligations, in particularly those of a pecuniary interest, adequately as a natural person. The most important task in the process of establishing legal persons is distinguishing between private assets of the persons running an enterprise and the assets they possess as legal persons. Pursuant to the regulations in force, one may distinguish corporate legal entities such as joint-stock companies, associations, cooperatives in which the separation of property occurs on the basis of its application to achieve a specific goal. The State Treasury and other organizational units which, by virtue of the applicable regulations, have legal personality are also legal entities. This means that it is not possible to create a legal entity according to one's own preferences if this entity does not meet the conditions imposed by law.

Under the Act on Freedom of Economic Activity (Journal of Laws 2004 No 173, item 1807, as amended), legal persons act in two basic scopes: as entities of rights and obligations, conducting business activity within their own legal personality; and as specific organizational and legal forms conducting business activity. The first group includes the State Treasury and units of local self-government as well as other organizational units; while the second group includes state-owned enterprises, sole shareholder companies and multi-shareholding companies of the State Treasury, state-owned banks etc.

Economic activity is undoubtedly of subjective nature, as already indicated, in each case the liability is assigned to a specific entity. Pursuant to the Civil Code (Journal of Laws 1964 No 16 item 93, as amended) and its article 43.1 entrepreneurs are also the partners in a civil law partnership, in the scope of their economic activity. Therefore, it can be concluded that the concept of an entrepreneur in the wording of the Act on Freedom of Economic Activity comes down to natural persons, legal persons and organizational units that are not legal persons and partners of these companies (Strzyczkowski; p. 244).

An entrepreneur, within the meaning of article 4 of the Act on Freedom of Economic Activity (Journal of Laws 2004 No 173 item 1807, as amended) is a natural person, legal entity and organizational unit that is not a legal person, to whom a separate law grants legal capacity, as well as a partner in a civil law partnership performing business activity on his/her own behalf in the scope of running the economic activity. The second article of the Act on Freedom of Economic Activity lists the

criteria that an entity must meet in order to be considered an entrepreneur. The conditions that the entity must meet to be included in the scope of business activity are: gainful commercial manufacturing activity, provision of goods and services etc. as well as professional activity practiced in an organized and continuous manner. It should be noted that the legislator also puts natural persons practicing the so called liberal professions such as, for example, doctors, architects, lawyers, notaries, statutory auditors under the category of entrepreneurs. The features of a liberal profession according to J. Olszewski are as follows: regulated character, personal participation, qualified education, specific form of performance, legal responsibility, corporate self-government, professional ethos, and professional independence. It is hard to disagree with these features, nevertheless, some of them are not regulated by law (Olszewski; pp. 15–17).

Within the meaning of the Act on Freedom of Economic Activity, it is possible to distinguish a certain scope of the concept of an entrepreneur and the concept of an entity conducting an economic activity. Entities conducting economic activity are entrepreneurs including share-holding companies operating for profit, state-owned enterprises, partnerships, partners of a civil law partnership, natural persons running a sole proprietorship, agencies of foreign enterprises, non-profit entities and share-holding companies in an organization. While, the term entrepreneur refers to share-holding companies operating for profit, state-owned enterprises, partnerships, partners of a civil law partnership, natural persons – sole proprietors, representatives of the liberated professions and agencies of foreign entrepreneurs.

The doctrine distinguishes between two models of definitions of an entrepreneur i.e. entrepreneurs *sensu stricto*, who were established for the purpose of making profit and who carry out their business activity professionally and on their own account. The second model refers to non profit entrepreneurs for whom making a profit is not the main goal but they conduct their business to allocate profits for statutory purposes. Non-profit entrepreneurs constitute a group of entities that cannot run a business as they do not meet the statutory requirements.

It is also possible to classify entrepreneurs on the basis of the size of the enterprise, pursuant to recommendations of the European Commission, this criterion should be taken into account in the process of granting public aid to entrepreneurs. The provisions of the Act on Freedom of Economic Activity stipulate that public administration bodies

support the development of entrepreneurship. There is an open catalogue of activities supporting entrepreneurship e.g. wide accessibility to credit, institutional support in financing projects, government assistance for entrepreneurs and equal conditions in relation to public and legal burdens (Olszewski; p. 17).

The criteria determining which size group a given entrepreneur belongs to are primarily: the number of employees in the enterprise, the volume of turnover and the value of the balance sheet. According to article 104 of the Act on Freedom of Economic Activity a micro-entrepreneur is an entrepreneur who *in at least one of the past two trading years employed on average less than 10 employees per year, achieved annual net turnover from the sale of goods, goods and services and financial operations not exceeding the equivalent of EUR 2 million in PLN or the total assets of its balance sheet prepared at the end of one of these years did not exceed equivalent of EUR 2 million in PLN.* A small-sized entrepreneur according to the aforementioned Act (article 105) is *an entity who, in at least one of the past two financial years employed on average, fewer than 50 employees, achieved annual net turnover from the sale of goods, goods and services and financial operations, not exceeding the equivalent of 10 million EURO in PLN or the total assets of its balance sheet prepared at the end of one of these years did not exceed the equivalent of 10 million EURO in PLN.* The medium-sized entrepreneur (Article 106) is *the one who, at least in one of the past two financial years, employed on average less than 250 employees per year, achieved an annual net turnover from the sale of goods, goods and services and financial operations not exceeding the equivalent of 50 million EURO in PLN, or the total assets of its balance sheet prepared at the end of one of these years did not exceed equivalent of 43 million EURO in PLN.* Article 1 of the Act on State-owned Enterprises (Journal of Laws 2013 item 1384, as amended) defines these enterprises as *entities of legal relations, i.e. entities of rights and duties in the field of civil law.*

The enterprise pursuant to the Civil Code (Journal of Laws 1964 No 16 item 93, as amended, Article 551) *is an organized set of intangible and tangible assets intended for conducting business activity. This applies in particular to:*

- *symbols that individualize an enterprise or its separate parts (company name);*

- *ownership of real property or movable property, including devices, materials, goods and products, and other property rights to real property or movable property;*
- *rights arising from the lease and tenancy agreements for real estate or movable property and the right to use real estate or movable property resulting from other legal relationships;*
- *claims, rights resulting from possessing securities and monetary means;*
- *concessions, licenses, permits;*
- *patents and other industrial property rights;*
- *property copyrights and property related rights;*
- *company secrets;*
- *books and documents related to running an economic activity.*

*Tangible and intangible components:*

- *rights on intangible goods;*
- *rights on tangible goods, rights to movable and real estate property;*
- *bond rights arising, for example, from renting and leasing;*
- *rights resulting from administrative decisions, i.e. concessions, permits;*
- *personal goods;*
- *books and documents related to running a business.*

*Also natural persons, legal persons and organizational units without legal personality that conduct economic or professional activity, even if the activity is not organized and continuous, as well as persons acting on their behalf or for their benefit.*

### **3. Economic activity – features and functions**

The law on economic activity is undoubtedly a part of public economic law, it regulates the principles of starting and conducting business activity, it also defines the system of administrative law (Strzyczkowski; p. 237). More specifically, the legal bases of economic activity are regulated in many legal acts that are in force in the country. It is a hierarchical system of sources of law adopted primarily in the Constitution and in the EU Community law. The Constitution of the Republic of Poland defines the economic system of Poland as a social

market economy. It sets the general framework regulating the economic activity in the country as a free dialogue based on private ownership and social solidarity and cooperation of partners. The notion of economic activity is the most universal expression of professional activity of legal entities. In the provisions of the Act on Freedom of Economic Activity, economic activity is defined as *profit-oriented commercial production, construction, commercial and service activity, exploration and minerals extraction, as well as gainful activity carried out in a continuous manner*. The concept of business activity is also used in other legal acts, depending on the purposeful interpretation of a given legal act, many laws regulate the concept of business activity for their own use. By examining the statutes through the prism of linguistic interpretation, it is possible to isolate significant elements that must occur in order for an activity to qualify as an economic activity. In this matter, it is possible to distinguish positive features that must occur in order for the activity to be classified as a statutory economic activity. First of all, the business must be allowed by law. Thus, an activity will not be considered as an economic activity if it is not allowed by law. Such activity does not benefit from legal protection; it is also sanctioned and prosecuted by state administration bodies. The lack of a statutory ban on conducting business activity is of a great importance for the legality of operations. A separate issue is the exclusion of certain types of economic activity from the provisions of the Act on Freedom of Economic Activity. As it was already mentioned before, the term economic activity embraces a whole catalogue of activities including commercial production, construction, commercial and service activity, exploration and extraction of minerals. There is also a licensed activity; it requires however, application of certain criteria, established on the basis of different legal provisions, qualifying it as other types of economic activity. The activity, as a rule, must have a commercial, profit-oriented nature. Every activity seems to have a specific purpose and its intention is to make a profit (Strzyczkowski; p. 241), when the entity does not seek to make a profit from its operations it cannot be called economic activity because the purpose of such activity is not economic. Economic activity does not have to be (but of course, may be) a professional activity, it is especially popular among people of the so-called liberated professions which are enumerated in the Act. Economic activity must also be organized i.e. it must be an orderly, thoughtful activity that is subject to some management or intention in the strict sense. An organized character in



a broad sense is the fact that business is subjected to statutory regulations. In the strict sense, however, it is the ability to conduct the activity in an organizational form prescribed by law. This would mean that an activity without proper organizational and legal form does not meet the definition of economic activity and such an entity does not qualify as an entrepreneur.

Another positive feature evoked in the Act on Freedom of Economic Activity is continuity i.e. repetitiveness and continuation of activities which are performed under a given economic activity. Therefore, economic activity may not embrace the entities which occasionally perform activities related to business turnover. A single act of profit-oriented character may not qualify as economic activity. However, pursuant to other acts such as e.g. fiscal laws, a single act may not be treated otherwise.

Negative features of business activity i.e. exclusions from being an entrepreneur, pursuant to the Act of Freedom of Economic Activity include: manufacturing activity in agriculture with respect to farming the land, animal husbandry and livestock farming, horticulture, vegetable raising, forestry and inland fisheries; as well as renting rooms by farmers, sales of home-made meals and provision of other tourist-related services in the farm premises (Article 3 of the Act on Freedom of Economic Activity, Journal of laws 2004 no 173 item 1807, as amended). The scope of exclusions in the Act is enumerated and closed. The exclusions show that the excluded activity is of peculiar nature and is subject to special regulations. It should be also stressed that it is difficult to qualify activities performed by local self-government units as activities of a business entity in the meaning of the Act on Freedom of Economic Activity. The activity of local self-governments has not been excluded from the Act, however the Act on Municipal Services Management (Journal of laws 1997 no 9 item 43, as amended) defines local government units as public benefit institutions what collides with the principle of goal-oriented purposes. The directions of systemic interpretation prescribe to treat local self-governments as other category of business activity in which the provision on freedom of business activity does not apply (Strzyczkowski; p. 244). However, the term entrepreneur applies to partners in a civil partnership with the scope of business activity they conduct.

#### **4. Non-homogeneity of legislation with respect to definition of business activity and its consequences**

Important issues related to business activity are regulated in various legal acts. The notion of economic freedom can be found in the Constitution of the Republic of Poland (Journal of laws 1997 no 78 item 483, as amended). Article 20 of the Constitution stipulates that *a social market economy, based on the freedom of economic activity, private ownership, and solidarity, dialogue and cooperation between social partners, shall be the basis of the economic system of the Republic of Poland*. The Act on Freedom of Economic Activity, in Article 6 reads that *undertaking and conducting business activity is open for everybody on equal terms under the conditions laid down in legal provisions*. Article 2 of the same Act defines business activity as *profit-oriented commercial production, construction, commercial and service activity, exploration and minerals extraction, as well as gainful activity carried out in an organised and continuous manner*.

In the discussion of the subject matter of business activity it is important not to omit the definition of an entrepreneur as an entity conducting this activity. And so, Article 431 of the Civil Code (Journal of laws 1964 no 16 item 93, as amended) defines an entrepreneur as *a natural person, legal person and organisational unit which is not a legal person but is endowed with legal capacity by means of the Act, who on his/her own behalf conducts business or professional activity*. The Act on Freedom of Economic Activity (Article 4) defines an entrepreneur as *natural person, legal person and organisational unit which is not a legal person but is endowed with legal capacity by means of a separate act, who on his/her own behalf conducts business activity*. The term entrepreneur applied also to partners in a civil partnership with the scope of business activity they conduct. Whereas the Act on Combating Unfair Competition of 16 April 1993 (Journal of laws 1993 no 47 item 211, as amended) states that *entrepreneurs are natural persons, legal persons and organisational units without legal personality who conduct, even collaterally, profit-oriented or professional activity thus taking part in economic activity*. In the Act of 16 February 2007 on Competition and Consumer Protection (Journal of laws 2007 no 50 item 331, as amended) Article 4 paragraph 1, it is written that:

- an “undertaking” – shall mean an undertaking within the meaning of provisions on freedom of business activity, as well as:

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- *a natural and legal person, as well as an organisational unit without legal personality to which legislation grants legal capacity, organising or rendering public utility services, which do not constitute business activity in the meaning of provisions on freedom of business activity,*
- *a natural person practicing a profession on their own behalf and account or conducting business activity in connection with the practicing of that profession,*
- *a natural person having control, within the meaning of subparagraph 4 hereof, over at least one undertaking, even if the person does not conduct business activity in the meaning of provisions on freedom of business activity, if this person undertakes further actions subject to the control of concentrations, referred to in Article 13.*

Article 3 of the Industrial Property Law (Journal of laws 2001 no 49 item 508, as amended), defines entrepreneur as an entity which shall mean a person, who runs for profit the activity in manufacturing, building, trading or servicing, hereinafter referred to as “business activity”.

Article 3 of the Act on Informing about the Prices of Goods and Services (Journal of laws 2013.0.385 as amended) reads that an entrepreneur is an entity conducting activity within the meaning of provisions on freedom of business activity as well as persons conducting manufacturing activity in agriculture i.e. farming the land or with respect to animal husbandry, livestock farming, horticulture, vegetable raising, forestry and inland fisheries.

Article 6 of Geological and Mining Law (Journal of laws 2011 no 163 item 981 as amended ) understands entrepreneur as the party that has a concession for conducting geological and mining activities regulated by this Act. In the Act on Tourist Services entrepreneurs are defined as entities defined as entrepreneurs in the Act on Freedom of Economic Activity as well as foreign entrepreneurs. The Act of 20 August 1997 on the National Court Register (Journal of laws 1997 no 121 item 769, as amended) in Article 36 defines an entrepreneur as the following entities:

- *General partnerships;*
- *European economic interest groupings;*
- *Partnerships;*
- *Limited partnerships;*

- *Limited joint-stock partnerships;*
- *Limited liability company;*
- *Public limited liability companies;*
- *European companies;*
- *Cooperatives, European cooperatives;*
- *State enterprises;*
- *Research institutes;*
- *Traders in the provisions of the rules in the territory of the Republic of Poland economic activities in respect of small craft industries by foreign legal and natural persons, hereinafter referred to as "foreign companies";*
- *Mutual societies;*
- *Branches of foreign businesses operating within the territory of the Republic of Poland;*
- *Main branches of foreign insurance undertakings;*
- *other legal persons if they perform an economic activity and are subject to entry in the register.*

According to the Bankruptcy and Reorganisation Law an entrepreneur is a natural person, legal person and organisational unit which is not a legal person but is endowed with legal capacity by means of a separate act, who on his/her own behalf conducts business or professional activity.

As it was shown above, Polish regulations are not uniform with respect to the definition of an entrepreneur and a business enterprise. Each branch of law, or even legal acts within the same branch of law use different definitions of economic activity. Therefore, it is very important for entrepreneurs operating in the territory of Poland to be aware of legal acts which may be relevant and binding with respect to his/her business activity. The Act on Freedom of Economic Activity (Article 2) stipulates that economic activity includes profit-making activity related to manufacturing, construction, trading, provision of services and prospecting, identifying and mining of minerals in deposits, as well as professional activity conducted in an organised and continuous fashion. Article 2 contains a legal definition of economic activity which means that this particular definition should be treated as generally applicable and binding both for the legislator and for the executive and judiciary organs. It results from the decision of the Supreme Court of 2 February 2009 (V KK 330/08).

A very important aspect of conducting business activity is the fiscal obligation resulting from the legal acts in force. The Tax Ordinance Act (Journal of laws 2017 item 201, as amended) in Article 3 point 9 defines economic activity as any gainful activity within the meaning of the provisions on the freedom of economic activity, including the performance of a profession or any other gainful activity carried out in one's own name and on one's own or other persons' account, even if other acts do not include this activity in economic activity or person carrying on such activity – in entrepreneurs. The next fiscal act which defines an entrepreneur for its own purposes is the Goods and Services Tax Act (Journal of laws 2004 no 54 item 535 as amended), Article 15 paragraph 2 stipulates that economic activity embraces any activity of manufacturers, traders or service providers, including entities prospecting, identifying and mining natural resources and farmers; as well as activity of those practicing liberated professions including situations in which a given act was performed one time only in circumstances which point to the intention of performing the act repeatedly. Economic activity refers also to acts of using goods or intangible assets in a continuous manner for commercial purposes. It should also be observed that the Goods and Services Tax Act in Article 15 paragraph 3 lists some exclusions e.g. the following activities are not considered as independently conducted business activity as stipulated in paragraph 1:

- *1) revenues from which were enumerated in Article 12 paragraphs 1–6 of the Act of 26 July 1991 on Personal Income Tax (Journal of laws of 2000 No 14 item 176, as amended);*
- *2) revenues from which were enumerated in Article 13 paragraphs 2–9 of the Act of 26 July 1991 on Personal Income Tax, if the person conducting this activity is related to the contractor of this activity by legal bonds forming a legal relationship between the contractor and the executor of the activity with respect to the conditions of its execution, remuneration and liability of the contractor with respect to third parties.*

The Act on Personal Income Tax in Article 5a paragraph 6 considers economic activity or non–agricultural economic activity as the following gainful activities:

- *any activity of manufacturers, builders, traders or service providers,*

- *including entities prospecting, identifying and mining natural resources,*
- *consisting of application of goods or intangible and legal assets,*
- *– conducted on one's own behalf and account regardless of its final result in an organised and continuous manner, the revenues from which are not part of other revenues from sources listed in Article 10 paragraph 1 point 1–2 and 4–9.*

Yet another definition created for own purposes is to be found in the Act of 13 October 1998 on Social Insurance System (Journal of laws 1998 no 137 item 887, as amended) which in Article 8 paragraph 6 stipulates that:

*Individuals engaged in non-agricultural business activities shall be deemed to be:*

- *1) individuals operating a business enterprise on their own pursuant to provisions applicable to business entities or other specific provisions;*
- *2) individuals engaged in creative work and artists;*
- *3) individuals engaged in freelance work:*
  - *a) as understood in the provisions on lump-sum income tax on certain incomes earned by physical entities,*
  - *b) generating income that constitutes income as understood in the provisions on the personal income tax;*
- *4) a partner in a single-person of a limited liability company and partners of general partnership, limited partnership company or partnership company;*
- *5) individuals running a non-public school, educational institution or school complex pursuant to provisions on the education system.*

Also pursuant to the Act on Personal Income Tax (Journal of laws 1991 no 80 item 350, as amended), Article 5b paragraph 1 and 2, non-agricultural business activity is not considered economic activity when it *jointly meets the following conditions:*

- *liability with respect to third parties for the result of this activity and its execution excluding liability for committing a tort is on the contractor of this activity;*
- *the activities are executed under management and in place and time specified by the contractor of this activity;*

- *the party responsible for execution of this activity does not bear economic risk related to the conducted activity.*

## **Conclusions**

The subject matter presented in the paper constitutes an attempt to show the impact of legal provisions on efficiency and easiness of conducting business activity in Poland. As it is commonly known, the volume of economic turnover and the level of investment directly influence the economic and financial situation of a country. Therefore, the regulations in force which refer to conducting business activity are very important. Any inaccuracies and imprecisions in wording of the acts and provisions trigger complications and costs for enterprises impeding their development and growth. Each country strives for stabilisation, optimisation of tax revenues and maximisation of development of economic conditions which translate into growth. Economic activity is a pillar of the free market economy based on capital turnover. A country in order to function smoothly, needs to manage its resources effectively and act constructively in accordance with the assumed principles. That is why homogeneity and simplicity of legal regulations should be a priority over doctrinal disputes how to define the notion of an entrepreneur. Apart from doctrinal outlook on the problem, one should pay closer attention to the more important issue i.e. development of the national economy. Poland has been improving its position in the rankings connected with conditions for entrepreneurs prepared annually by the World Bank. However, the multiplicity of regulations presented in the publication concerning interpretation whether a given entity is an entrepreneur or not, shows that there is still room for the legislator to further facilitate conducting economic activity in Poland. Special emphasis must be put to the provisions of private public law regulating the issue of obligations of entrepreneurs towards the State, especially fiscal obligations which in Poland are particularly complicated when compared to other countries. However, the provisions of public private law deserve praise as they serve their function well exercising supervisions over economic turnover between entrepreneurs, what has a positive impact on Polish economy.

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- [3.] Act of 25 September 1981 on State-owned Enterprises (Journal of laws Z 2013 item 1384, as amended).
- [4.] Act of 26 July 1991 on Personal Income Tax (Journal of laws 1991 no 80 item 350, as amended).
- [5.] Act of 15 February 1992 on Corporate Income Tax (Journal of laws 1992 no 21 item 86).
- [6.] Act on Combating Unfair Competition of 16 April 1993 (Journal of laws 1993 no 47 item 211, as amended)
- [7.] Act of 20 December 1996 on Municipal Services Management (Journal of laws 1997 no 9 item 43, as amended).
- [8.] Constitution of the Republic of Poland of 2 April 1997 (Journal of laws 1997 no 78 item 483, as amended).
- [9.] Act of 20 August 1997 on National Court Register (Journal of laws 1997 no 121 item 769, as amended).
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- [11.] Industrial Property Law of 30 June 2000 (Journal of laws 2001 no 49 item 508 as amended).
- [12.] Act of 15 September 2000 on the Commercial Companies Code (Journal of laws 2000 no 94 item 1037, as amended).
- [13.] Act of 11 March 2004 on Goods and Services Tax (Journal of laws 2004 no 54 item 535, as amended).
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- [15.] Act of 16 February 2007 on Competition and Consumer Protection (Journal of laws 2007 no 50 item 331, as amended).
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