

Special tax regime in Belgium

New regime incoming taxpayers & incoming researchers as of January, 1 2022: overview of expat regime

Conditions

For the employer

- Belgian company
- Belgian establishment of a foreign company
- Non-profit organisation

For the employee

Incoming taxpayers	Incoming researchers
Employee or director (even if shareholder)	Employee who spends at least 80% of his/her time performing research activities within a laboratory or an industry implementing one or more R&D programs.
No degree requirement	<ul style="list-style-type: none"> • Qualifying degree (doctor/master); or • 10 years of relevant professional experience and exclusively or mainly performing research activities of scientific, fundamental, industrial or technical nature within a laboratory or an enterprise
Minimum gross salary of 75.000 EUR per calendar year <ul style="list-style-type: none"> • Relating to activities in Belgium • Incl. holiday pay, end-of-year bonus, BIK, bonusses and other gratifications that are certain and definite • Not incl.: costs proper to the employer • At the moment of recruitment or (start) employment in Belgium • Revisable every 3 years (starting as of 2024) 	

- All nationalities (Belgian or foreign nationality)
- During a **period of 60 months** (5 years) prior to the employment in Belgium:
 - Must not have been a Belgian resident
 - Must not have lived within 150 km from the Belgian border
 - Must not have been subject to Belgian non-resident taxation

Benefits

Costs proper to the employer

- Not subject to taxation
- Not subject to social security

Recurrent costs	One-off costs
Recurring expenses arising directly from the assignment of the employment in Belgium	School fees: kindergarten (as of 5 year), primary and secondary education in Belgium in a private or international school
30% of gross salary*	Expenses of moving to Belgium and hotel expenses (first 3 months after arrival in Belgium)
Max. 90.000 EUR per year	Installation/furnishing costs (first 6 months after arrival in Belgium) – max. 1.500 EUR
No evidence required	Evidence required

The specific tax regime applies for a period of five years, which can be extended for three additional years.

Gross salary

Gross salary* of **minimum 75.000 EUR per calendar year** is the gross salary for the activities in Belgium, before deduction of the social security contributions.

- Basis salary
- Vacation pay
- 13th month
- Benefit in kind (phone, pc, company car, ...)
- Variable pay such as bonuses

Are not taken into account:

- Severance payments
- Allowances to compensate for a temporary loss of remuneration
- Costs proper to the employer

Application of (Belgian) tax residency rules

Belgian tax resident*	Belgian non-resident*
Taxable on worldwide income in Belgium	Taxable on Belgian source income
Application of double tax treaties	

Belgian tax resident* based on article 2, §1, 1° ITC: natural persons who have established their domicile in Belgium (meaning that they have registered themselves at the municipality – this is a refutable presumption); or if they are not domiciled in Belgium, have established the seat of their fortune in Belgium.

If the taxpayer is married, his tax residence is determined by the place where his family is located (irrefutable presumption).

If the incoming taxpayer or incoming researcher is considered as a **Belgian non-resident**, he is obliged to annually hold at the disposal of the Belgian tax administration a certificate issued by the tax administration of his State of residence, confirming that he is subject to income tax in that State as a tax resident.

How to apply for the new regime?

Transitional period: from old regime to opt in to the new regime

Opt-in	No opt-in
Under the old regime ≤ 5 years	Old regime is applicable until 31/12/2023
Request had to be filed by 30/09/2022	After 31/12/2023: normal Belgian tax rules will apply

Request by the employer

- Within **3 months** from the start of employment in Belgium

Decision by the Belgian tax authorities

- Within **3 months** from receipt of the application

Application documents (available by Baker Tilly)

- Certificate employee
- Application from employer

Extension of special tax status (for extra 3 years)

- The application for renewal must be requested by the employer no later than 3 months after the first 5-year period has expired