

GMS Flash Alert



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Belgium - New Reporting Requirements for Inbound Taxpayers and Researchers Preferential Regime

A new Belgian law of 28 December 2023, has made changes to the reporting requirements on the annual wage statements 281.10/20 for inbound taxpayers/researchers.¹

WHY THIS MATTERS

The change means that employers will have to adjust their practices and processes to accommodate the new requirement to include additional entries on the wage statement 281.10/20.

Background

Belgium has an attractive special tax regime for inbound taxpayers/researchers offering significant benefits and decreasing the cost of employing individuals in Belgium.

In early 2022, Belgium introduced a new tax regime for inbound taxpayers and inbound researchers, after the previous expat regime had been in place for 38 years. (For prior coverage, see [GMS Flash Alert 2023-020](#), 27 January 2023.)

Brief Summary of Conditions and Benefits

Several conditions must be met by the employer and the employee to qualify for this regime.

The inbound taxpayer must comply with the cumulative conditions below:

- for the 60 months prior to the start of employment in Belgium:
 - he/she has not been a Belgian resident,
 - he/she has not lived within a distance of 150 km from the Belgian border,
 - he/she has not been subject to tax as a nonresident for professional income in Belgium, and
- he/she must receive a gross remuneration of more than EUR 75,000 (amount subject to indexation) for services rendered in Belgium per calendar year. This salary condition does not apply to inbound researchers.

One of the benefits of the inbound tax regime is that recurring expenses at the charge of the employer arising directly from the employment in Belgium can be considered tax-free. These costs proper to the employer are equal to a maximum 30 percent of the individual's gross remuneration with a cap of EUR 90,000 per year (amount subject to indexation and prorated in split tax years). The payment of these costs proper to the employer are in addition to the individual's gross remuneration.

KPMG INSIGHTS

The minimum annual salary requirement of EUR 75,000 for inbound taxpayers (prorated in case of split tax years) should be met during all years of employment in Belgium. The tax authorities want to verify this threshold annually. The same applies for the costs proper to the employer where the tax authorities want to verify that the maximum 30 percent of gross remuneration with a cap of EUR 90,000 per year is respected.

New Reporting Requirements on Annual Wages Statements: Income Year 2023

With the new law, changes are being made to the reporting requirements on the annual wage statements 281.10/20 for inbound taxpayers/researchers, with an aim to allow the tax authorities to verify the thresholds above on an annual basis.

Previously the law on inbound taxpayers/researchers foresaw the obligation for the employer to provide an annual listing to the tax authorities by 31 January, following the income year.

As a transitional measure, the tax authorities announced that no such list needed to be introduced for income year 2022.

The new law now foresees that this separate annual listing will be abolished altogether and replaced by additional entries on the annual wage statements 281.10/20, namely:

- Gross amount of remuneration;
- Recurring cost proper to the employer;
- Other costs proper to the employer (first installation, moving, school fees, etc.).

KPMG INSIGHTS

Employers should make sure that as of income year 2023 the above-mentioned additional information is properly reported on the annual wage statements 281.10/20.

If employers have any questions about the changed requirements, they may wish to consult with their global-mobility professional and/or tax service provider or a member of the GMS/People Services team with KPMG in Belgium (see the Contacts section below).

FOOTNOTE:

1 [Loi portant des dispositions fiscales diverses](#) in the *Moniteur Belge* (online).

[Wet houdende diverse fiscale bepalingen](#) in the *Belgisch Staatsblad* (online).

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Contact us

For additional information or assistance, please contact your local GMS or People Services professional or one of the following professionals with the KPMG International member firm in Belgium:



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