KPMG

Taxation of international executives: Denmark

January 2026

Contents

1	Overview and Introduction	4
2	Income Tax	6
3	Special considerations for short-term assignments	24
4	Other taxes and levies	25
5	Immigration	36

KPMG

01

Overview and Introduction

1 Overview and Introduction

All individuals residing in Denmark are liable to income tax on their worldwide income. Non-resident individuals are only liable to pay income tax on income specified as Danish source income under Danish law. With regards to salary, a non-resident individual is normally taxed exclusively on remuneration for
duties performed in Denmark received from a Danish resident employer or from a foreign employer with a permanent establishment in Denmark.

However, employees working offshore in connection with oil and gas exploration/extraction on the Danish Continental Shelf and employees who are hired out by their foreign employer to a Danish company are liable to taxation in Denmark even though the employer is neither resident in Denmark nor carries out activities through a permanent establishment in Denmark.

Credit relief in Danish taxes may be provided under a tax treaty concluded between Denmark and the employee's home country/jurisdiction.

The official currency of Denmark is Danish Kroner (DKK).

Herein, the host country/jurisdiction refers to the country/jurisdiction where the expatriate is going on assignment. The home country/jurisdiction refers to the country/jurisdiction where the expatriate lives when they are not on assignment

02

Income tax

2 Income Tax

2.1 Tax Return and compliance

What is the tax year-end?

31st December.

When are tax returns due?

Individual tax returns must as a starting point be filed no later than 1 May in the year following the income year in scope for the tax return. The standard process is that the individual receives a pre-printed tax assessment from the tax authorities, any change to the pre-printed tax assessment should be filed no later than 1 May. It is possible to extend the due date from 1 May to 1 July.

However, not all individuals receive a pre-printed tax assessment; the tax authorities send out a pre-printed tax assessment if the tax authorities deem the income statement to be very simple. For those who do not receive a pre-printed tax assessment, the filing deadline is automatically postponed to 1 July of the year following the tax year, i.e., individuals with non-Danish income to be declared have an automatically postponed filing deadline.

What are the compliance requirements for tax returns in Denmark?

Individuals who are Danish residents or who have had Danish source income are obliged to file a Danish tax return in accordance with the deadlines mentioned above.

Individuals who become taxable in Denmark are obliged to register a preliminary tax assessment ("pre- assessment").

The Danish tax authorities will issue a tax card to the employee based on the preliminary tax assessment for the income year. The tax card information automatically becomes available to the Danish employer.

If no valid tax card is available at the time of payment, the Danish employer must withhold 8 percent labour market contribution and additionally 55 percent preliminary tax. Employees of a foreign employer with no permanent establishment in Denmark meets their preliminary tax liability by paying the taxes themselves in 10 equal instalments, also called B-taxes, during the year (June and December are exempted).

The final tax for an income year is calculated when the tax return has been filed in the year following the income year in scope of the tax return. Overpaid tax is refunded together with a non-taxable interest of 0% percent for the income year 2025.

Outstanding taxes for the income year in question should be paid at the latest on 31 December (or the last bank day of the year) in the relevant income year to avoid interest and extra charges. If taxes are paid in the period 1 January – 1 July in the year following the relevant income year, there will be a day-to-day interest of 3,7 percent p.a. (for income year 2024) (If the outstanding tax is not paid by 1 July in the year following the income year, a fixed interest of 5,7 percent (2025) is applied instead of the day-to-day interest.

Unpaid remaining tax liability of up to DKK 25,368 (tax year 2025) will automatically be carried forward and collected along with the preliminary taxes the following year. Outstanding taxes exceeding DKK 25,368 will be collected in 3 instalments payable in August, September, and October 2026.

Statute of limitations: The tax assessments may be changed by either the tax authorities or the taxpayer until 1 May of the fourth year after the end of the income year. In certain situations, the Danish tax authorities can only make changes until 1 July, 2 years following the end of the income year.

Tax formalities on entering Denmark: The employee must register for a tax card.

Tax formalities on leaving Denmark: The employee must both de-register from the national register and notify the tax authorities.

Residents (full tax liability)

Every year in March/April following the tax year, a resident will receive either a pre-printed tax assessment or an information letter from the Danish tax authorities. If the pre-printed tax assessment does not contain the correct taxable income or deductions, corrections should be returned to the tax authorities by 1 May at the latest. The filing deadline may be extended to 1 July.

If the individual receives an information letter instead of a pre-printed tax return, the tax return must be filed no later than 1 July in the year following the tax year subject to the tax return.

If the individual has foreign income (such as rental income, salary, shares, or a house abroad), one or more special tax forms must be filed.

Non-residents (limited tax liability)

Non-residents must fill out an individual tax return and file online to the tax authorities no later than 1 July. Non-resident individuals must only declare Danish source income in their Danish tax return.

2.2 Tax rates

What are the current income tax rates for residents and non-residents in Denmark?

Residents

Personal income tax table 2026

Taxable income brackets		Marginal tax rate excluding labor market tax*
From Danish krone (DKK)	To DKK	Percent
0	58,804	8
58,804	641,200	37,8
641,200	777,900	45,3%
777,900	2,592,700	52,8 %
2,592,700	Over	57,8 %

* Including voluntary church tax of an average of 0.67 percent and based on an average municipality tax rate (24.98 percent). The marginal tax rate varies approximately + 1-2 percentage point depending on which municipality the taxpayer lives in. The calculation of the marginal tax rate includes the taxable value of a mandatory employment allowance. The allowance is maximized to DKK 63,300 (2026) for employed individuals.

Local tax rates

Local tax rates vary, but the average local tax rate for 2026 is 25.068 percent, excluding voluntary church tax.

State tax rates

The state tax consists of a bottom-bracket tax rate of 12,01 percent (2026), middle-bracket tax of 7,5 % (2026) for personal income exceeding DKK 641,200 after labour market contribution, top-bracket tax rate of 7,5 % (2026) for personal income exceeding DKK 777,900 after labour market contribution and then the additional top-bracket tax rate of 5 % (2026) which is applicable on income exceeding DKK 2,592,700 after labour market contribution.

Taxation of investment income and capital gains

Please see further below.

2.3 Residence rules

For the purposes of taxation, how is an individual defined as a resident of Denmark?

An individual who has an accommodation in Denmark is considered a resident for tax purposes.

An individual who stays in Denmark for at least 6 consecutive months without having an accommodation is also resident in Denmark for tax purposes. Short stays abroad for leisure or holiday will not interrupt the 6-month period. The tax liability comes into effect from the date of first arrival.

The general rule is that an individual who is tax resident in Denmark is taxable on the individual's worldwide income.

Tax liability ends when the individual leaves Denmark, i.e., if accommodation is no longer available in Denmark (house/apartment is either sold/notice given to landlord or rented out on a contract that cannot be terminated by the lessor for a period of at least 3 years).

Is there a minimum number of days rule applying to residency start and end date? For example, taxpayers cannot come back to the host country/jurisdiction for more than 10 days after their assignment has ended and they repatriate?

No.

What if the assignee enters the country/jurisdiction before the assignment begins?

The individual becomes resident from the day of arrival in Denmark regardless of when the assignment begins.

2.4 Termination of residence

Are there any tax compliance requirements when leaving Denmark?

When leaving Denmark permanently, the taxpayer should both de-register from the national register and notify the tax authorities. Exit taxes may apply.

What if the assignee comes back for a trip after residency has terminated?

Visits or holidays in Denmark do not as a main rule result in tax liability; see under Residence Rules.

Communication between immigration and taxation authorities

Do the immigration authorities in Denmark provide information to the local tax authorities about a person entering or leaving Denmark?

No.

Even where a visa is required, the immigration authorities will not pass on information about the individual to the tax authorities. However, the individual is required to register at the national register (Folkeregister) where the authorities register the names and addresses of all residents in Denmark. The national register (Folkeregister) will pass on information to the tax authorities, and information from the immigration agency is registered with the national register (Folkeregister).

The tax authorities will ask for documentation that the employee has a work permit if required.

Filing requirements

Will an assignee have a filing requirement in the host country/jurisdiction after leaving the country/jurisdiction and repatriating?

Upon termination of residence in Denmark, a final tax return must be submitted to the tax authorities. The tax return is due on the ordinary tax return filing deadline, i.e., typically 1 May in the year after the income year in question. As previously described, in some cases the filling deadline is 1 July, and exit taxes may apply.

2.5 Economic employer approach

Do the tax authorities in Denmark adopt the economic employer approach to interpreting Article 15 of the Organisation for Economic Co-operation and Development (OECD) treaty? If no, are the tax authorities in Denmark considering the adoption of this interpretation of economic employer in the future?

Denmark has adopted the economic employer approach to interpreting Article 15 of the OECD treaty. Taxation in Denmark is based on tax liability according to domestic law as ordinary tax resident or non- resident. If the employee is non-resident, salary income is taxable in Denmark only if:

- the employer is resident in Denmark, and
- carries out business in Denmark through a permanent establishment, and
- the duties under the employment contract are performed in Denmark or
- the employee is present and work in Denmark for a period that exceeds a total of 183 days in any 12-month period (or if the employee is hired out to a Danish entity).

Consequently, where the individual is not formally an employee of the Danish employer or an employee of the foreign entity doing business in Denmark but has a role in the company that is similar to that of an employee. The authorities may argue that the relationship can in fact be categorized as an employment and should be treated as such in terms of taxation.

If treated as an employee, the employee is tax liable to Denmark according to domestic law, and Article 15 of the double tax treaties is consequently seen as granting the right of taxation to Denmark. This entails tax liability from 1st day of work in Denmark. If the salary is recharged to Denmark, this will indicate that the individual should be categorized as an employee of the company doing business here.

If the salary should have been recharged according to normal business principles, but this has failed, the tax authorities are still likely to regard the individual as an employee of the Danish entity.

Minimum number of days

Is there a minimum number of days before the local taxation authorities will apply the economic employer approach? If yes, what is the minimum number of days?

No, there is no minimum number of days.

2.6 Types of taxable compensation

What categories are subject to income tax in general situations?

Virtually all types of remuneration, in-cash or in-kind, received by an employee for services performed constitute taxable income. Typical taxable items in an expatriate compensation package are:

- reimbursement of Danish and/or home country/jurisdiction taxes
- reimbursement of school fees
- cost-of-living allowances
- housing allowances/ paid housing

The taxable value of free accommodation is based on the market value of the housing. Free accommodation is not subjected to the labour market contribution (AM-contribution). The market value will be reduced with 10% if the employee must leave the accommodation when the employment has ended. For directors and other persons who have determining influence on their own remuneration, the taxable value is an amount corresponding to the property value tax plus 5 percent of an adjusted value of the property and actual property tax if the employer owns the property. If the accommodation is rented by the employer, the taxable value is the actual rent paid. In both cases, payment for heating and so on by the employer is taxed on the basis of the costs. Free

accommodation for managing directors and other persons with influence on their own remuneration is subject to AM-contribution.

- Company car available for private use.
    - The taxable value of a company car equals 22,5 percent (2026) of the tax basis up to DKK 300,000 and 22,5 percent (2026) of the exceeding tax basis. The minimum tax basis is DKK 160,000.
      An "environmental surcharge" is added to the calculated tax value of the car. The value of the "environmental surcharge" * depends on mileage per litre and is 700 percent (2026) of the environmental fee payable for the car.
    - For cars acquired within 3 years from the first registration, the tax basis is the original purchase price.
    - After 36 months from registration, the tax basis is reduced to 75 percent, however not less than DKK 160,000. For cars purchased 3 full calendar years or more after the first registration, the tax basis is the employer's purchase price including expenses for improvements paid by the employer. The calculated tax value of company cars includes fuel costs, insurance, etc.
    - The taxable value of company cars is subject to withholding taxes incl. AM-contribution.

- The private use of a telephone paid by the employer is taxed by maximum DKK 3,500/year (2026).

Employee stock options are normally taxed when the option is exercised. Please see Capital Gains Taxation on Disposal of Shares regarding taxation on gains on a subsequent sale of shares.

A lump sum received on termination of employment is taxed as personal income. The first DKK 8,000 can be tax exempt.

Intra-group statutory directors

Will a non-resident of Denmark who, as part of their employment within a group company, is also appointed as a statutory director (i.e., member of the Board of Directors in a group company situated in Denmark) trigger a personal tax liability in Denmark, even though no separate director's fee/remuneration is paid for their duties as a board member?

No, as no separate director's fee/remuneration is paid out to the board member.

- **Will the taxation be triggered irrespective of whether the board member is physically present at the board meetings in Denmark?**
    - No, it is insignificant whether the board member is physically present in Denmark.

- **Will the answer be different if the cost directly or indirectly is charged to/allocated to the company situated in Denmark (i.e., as a general management fee where the duties rendered as a board member is included)?**
    - Yes.

- **In case a tax liability is triggered, how will the taxable income be determined?**
    - A Danish Tax Return must be filled and tax withholding/reporting by the Danish company is required.

2.7 Tax-exempt income

Are there any areas of income that are exempt from taxation in Denmark? If so, please provide a general definition of these areas.

Benefits-in-kind are taxable at market value. However, some benefits-in-kind is tax exempt if they are provided by the employer mainly for use during the employee's work. The amount must not exceed DKK 7,600 (2026)

Some benefits-in-kind can be tax free if the total value of these benefits during the income year is below DKK 1,400 (2026).

Certain employer provided housing allowances (employer's contribution to rent)

Taxable.

Certain employer provided housing allowances (cost of utilities)

Taxable.

Living away from home allowance (LAFHA)

Employees are entitled to receive tax exempt compensation from the employer or reimbursement for business travel within Denmark and abroad if:

- the workplace is temporary (maximum 2 years). For site development projects, it can be argued that the workplace is temporary for the entire project period
- the duration of the business travel is at least 24 hours and the employee sleeps away from their ordinary residence, and
- it is not possible for the employee to spend the night at home due to the distance between the employee's ordinary home and the temporary workplace.

Certain rates for the allowed maximum tax-exempt compensation apply and are adjusted annually. If expenses are paid directly or reimbursed, there are no maximum amounts for the tax exemption.

If the travel expenses are not paid or reimbursed, the employee is entitled to deduct expenses for food, accommodation, and petty acquisitions of a maximum of DKK 34,400 (2026).

An expatriate working temporarily in Denmark can deduct expenses for food in Denmark. For the first 12 months, a fixed deduction is be used (DKK 625 per day in 2026) and in the following months actual expenses can be deducted if receipts can be shown.

In addition, lodging expenses incurred during the temporary period are deductible (DKK 268 per day in 2026). The total annual deduction is capped at DKK 34,400 (2026), for food and lodging all

together. Note that the special deduction does not apply if the 27 percent tax scheme has been chosen, or the above-mentioned allowance has been granted.

Employer provided accommodation and food can be exempt from income taxation when an assignment to Denmark is temporary for as a starting point up to 24 months.

Curtain special rules for construction sites.

Certain employer provided tax reimbursements

No.

Certain employer provided relocation reimbursements

Moving expenses reimbursed or paid directly by the employer can be tax exempt for employees transferred within a group of companies. Vouchers must support the expenses.

Home leave

Generally taxable; however, may be exempt from income taxation if the workplace is temporary and the family stays in the home country/jurisdiction.

Certain employer provided education costs

Employer provided education costs are tax exempt if they are provided to the employee in connection with their work.

Certain bonus payments

Taxable.

Certain interest subsidies

Taxable.

Certain auto allowances

If the employee uses own car as business transportation, the employer can offer a tax-free transport allowance at the following rates (2026):

Distance	Tax-free transportation allowance
Up to 20,000 kilometres per year	DKK 3,94/kilometre
More than 20,000 kilometres per year	DKK 2,28/kilometre

Work related transportation is defined as:

- Transport between several different workplaces for the same employer, or
- Transport between home and a temporary workplace (such as a project office or a client's

office) for up to 60 workdays within a 12-month running period travel inside the same workplace or

- If the employer does not offer the tax-free transport allowance even if the conditions are fulfilled, the employee can claim a deduction for transport on the tax return. Please see General Deductions from Income.

Health insurance

Health care benefits provided by the employer are usually taxable. If only related to work issues it can be tax exempt.

2.8 Expatriate concessions

Are there any concessions made for expatriates in Denmark?

Expatriates assigned to Denmark can opt for a 32.84 percent (27 percent flat rate tax after deduction of 8 percent labour market contribution) gross tax on their cash remuneration, taxable value of company car, company paid telephone and company paid health care insurance. All other income, including other employer provided benefits, is taxed at ordinary tax rates.

The conditions are as follows:

- The employee must be fully or limited tax liable to Denmark in connection with the commencement of the work under the special tax scheme. The 27 percent tax scheme does not apply to an employee considered treaty tax resident of Denmark performing work outside of Denmark under such circumstances that the right to taxation shifts to another country/jurisdiction according to a double tax treaty for more than 30 days.

- In the 10 years preceding the beginning of the assignment, the employee cannot have been taxable in Denmark as a resident or a non-resident (certain types of income are allowed)

- Within a 5-year period prior to the employment and during the actual employment the employee must not hold 25 percent or more of the share capital in the employer company or hold the majority of voting rights in the employer company, or if the company is not incorporated, exercise control over the company.

- A guaranteed gross cash salary including taxable value of the benefits mentioned above according to the employment contract must be at least DKK 65,400 (2026) in average per month in each calendar year after deduction of contribution to the mandatory labour market pension contribution (ATP) of DKK 99 per month (2026).

The 27 percent tax scheme can apply for one or more periods of no more than 84 months. If the employment in Denmark is prolonged, ordinary tax rates apply to the following years. If the employee leaves Denmark before having lived in Denmark for 84 months, use of the 27percent tax scheme can be resumed upon return, provided that all conditions are again fulfilled.

Unused personal allowances and tax exempted thresholds cannot be transferred from an expatriate taxed under the 27 percent scheme to their spouse or following years.

Special rules apply to research and development employees who are approved by the Danish Research Council, and as such do not need to live up to the minimum salary criteria.

Special rates – for employees working in the hydrocarbon sector and for employees working as hired out labour in Denmark.

30 percent (2026) withholding tax applies to income earned by non-residents working in Denmark in connection with oil and gas exploration and extraction on the Danish Continental Shelf, provided the employer does not have a permanent establishment in Denmark, and the employee is not hired out to a Danish entity.

Further, a 30 percent withholding tax may be levied on salaries of non-resident employees on a hired-out scheme (i.e., employees who perform services in Denmark for a Danish company other than the employer).

The entity receiving the services of the employee must withhold taxes. Danish labour market contributions apply in addition resulting in an effective rate of 35.6 percent.

2.9 Salary earned from working abroad

Is salary earned from working abroad taxed in Denmark? If so, how?

According to domestic law Danish residents who perform duties abroad for more than 6 months may under certain circumstances be exempt from Danish tax on the remuneration attributable to the work abroad. In addition, tax treaties may grant exemption from Danish tax (often by the credit method).

In connection with business trips, employees may receive a tax-free allowance together with reimbursement of all documented expenses. The tax-free allowance equals 25 percent of the applicable fixed travel allowance for meals. Instead of the reimbursement, the employee may receive 100 percent of the fixed tax-free travel allowance of DKK 893 per day (DKK 625 for meals plus DKK 268 for lodging) (2026). In this case cost are reimbursed.

The tax-free travel allowance for meals can only be paid for overnight trips which last more than 24 hours and only for a period of 12 months in the same place. The allowance for lodging can be paid as long as the trip is temporary. Reimbursement of travel expenses can take place as long as the work abroad is temporary - usually not more than 2 years.

2.10 Taxation of investment income and capital gains

Are investment income and capital gains taxed in Denmark? If so, how?

All investment income, irrespective of source, is subject to Danish tax when the recipient is resident in Denmark. Investment (or capital) income includes for example:

- interest
- capital gains on bonds and financial instruments
- capital gains on assets and liabilities in foreign currencies.

Dividends, interest, and rental income

Interest expenses are deductible in computing net investment income.

Interest is taxable as investment (or capital) income with a marginal tax of 42 percent (2026). For positive net investment income up to DKK 55,00 (2026) per year per spouse the tax rate is approx. 37 percent.

Dividends are taxed separately at fixed rates of 27 percent/42 percent. The rate of 27 percent applies up to a limit of DKK 79,400 (2026) and the rate of 42 percent applies to gains above DKK 79,400 (2026). For married couples, a double threshold applies.

2.11 Additional capital gains tax (CGT) issues and exceptions

Are there additional capital gains tax (CGT) issues in Denmark? If so, please discuss?

Capital gains taxation on disposal of shares

Gains or losses on shares are generally taxable and calculated as the difference between the market value in DKK at disposal/acquisition and the market value in DKK at purchase. However, if the shares were acquired before the individual became resident in Denmark the market value of the shares at the time of arrival in Denmark is used as the purchase price for Danish tax purposes.

Capital gains on shares for individuals

Gains are taxed as income from shares, irrespective of the period of ownership.

Losses on unlisted shares can be offset against income from shares without restrictions. The tax value of a negative income from shares can be offset against the final tax on ordinary income.

Losses on listed shares in general can be offset against gains, dividends, and sales proceeds from other listed shares. The availability of a tax deduction for realized losses on listed shares is conditioned upon the Danish tax authorities receiving information - within a certain deadline - regarding the acquisition of the shares including identity, number of shares, acquisition time and purchase price.

It is very important that foreign shares are reported to the Danish tax Authorities (together with the tax return each year), as the owner is only entitled to receive deduction for losses if the Danish Tax Authorities are informed of the foreign shares within a given deadline.

Gains and losses are normally calculated based upon the average purchase price for shares in the company. Transitional rules apply for certain shares purchased before 1 January 2006.

Capital gains tax on bonds

Taxable gains and losses derived from bonds are treated as capital income and are taxed at a marginal percentage of 42 (2026). Transitional rules apply for certain bonds in Danish currency purchased before 27 January 2010 implying that the gain is tax exempt.

Capital gains and losses are only taxable/deductible if the total net gain/loss exceeds an annual amount of DKK 2,000, in which case the full amount is included in the capital income.

Gains and losses are generally taxed or deductible upon realization.

Capital gains tax on assets and liabilities in foreign currencies

Gains on assets and liabilities in foreign currencies are taxable, and losses are deductible. The provisions cover all types of financial assets and liabilities, including bank accounts. The gains or losses include changes in the exchange rate as well as changes in the market value of the asset or liability. Net gains and losses due to exchange rate changes of less than DKK 2,000 on financial assets and liabilities etc. are not included in the tax basis.

Capital gains tax on property

A gain from the sale of a private residence in which the owner has lived is tax exempt, provided that either

- the property is less than 1,400 square meters, or
- the property exceeds 1,400 square meters, but parcelling out the property for further buildings is prohibited or will depreciate the total value significantly.
- If neither of the two listed conditions are met, capital gains on property are taxed as investment income.

Gains on private personal assets, such as jewellery, paintings, cars, and boats, are normally tax exempt.

2.12 General deductions from income

What are the general deductions from income allowed in Denmark?

Contributions to approved Danish pension plans are tax deductible.

According to the tax treaty with the United Kingdom, Switzerland, the Netherlands, and Sweden, contributions to pension schemes set up in those countries/jurisdictions may be tax deductible under certain circumstances.

Expatriates contributing to an exempted English pension plan may apply to the Danish tax authorities for permission to deduct contributions to the plan during residence in Denmark. It is a condition for the deduction that the expatriate contributed to the plan before coming to Denmark and that the UK employer has assigned the expatriate to Denmark.

Dutch employees may also under certain conditions be granted permission to deduct Dutch pension contributions for up to 60 months. For Swiss nationals, contributions to public saving pension plans are deductible for Danish tax purposes under certain conditions.

Pension schemes set up in EU/EEA country/jurisdiction

Contributions made to pension schemes set up and approved in other EU/EEA countries/jurisdictions may be deductible for Danish tax purposes. Certain requirements must be fulfilled by the pension scheme, the pension provider and the individual owning the pension scheme if the pension scheme is to be approved for Danish tax purposes.

When an individual applies for an approval of an EU/EEA pension scheme for Danish tax purposes and thereby deducts the contributions to the pension scheme, the individual must agree to be taxed in Denmark on the distributions from the pension scheme, corresponding to the contributions for which a deduction was granted. Taxation is, however, dependent upon the applicable tax treaty.

Expatriates with existing pension schemes set up in EU/EEA country/jurisdiction

An individual who moves to Denmark and has an existing pension scheme approved in an EU/EEA country/jurisdiction may continue to contribute to the pension scheme for up to 60 months after arrival in Denmark under certain conditions. The contributions during the 60 months will be considered deductible for Danish tax purposes. Distributions from the pension scheme are not taxable in Denmark if the individual is not liable to taxation as a resident at the time of distribution.

Child benefit

There are no allowances for children or other dependents, but all residents who are insured under the Danish social security system and who have children under 18 years of age will receive a tax-free payment.

Age	Payment
Age 0-2 years	DKK 21,480 (2026) per year per child per parent
Age 3-6 years	DKK 16,992 (2026) per year per child per parent
Age 7-14 years	DKK 13,368 (2026) per year per child per parent
Age 15-17 years	DKK 13,368 (2026) per year per child per parent

The child benefit is reduced for taxpayers, who has an income over a certain threshold; in 2026 DKK 961,000. The benefit is reduced with 2 percent of the income that exceeds the threshold.

Under certain conditions, maintenance, and child support payments to children under the age of 18 are deductible.

Interest expenses

Interest expenses are tax deductible. Certain limitations apply to non-residents and to individuals who, according to Danish law, are residents and who are also residents in their home country/jurisdiction under a tax treaty between Denmark and the home country/jurisdiction.

Commuting deduction

Commuting between home and work can be deducted at the following rates (2026):

Distance	Deduction
0 - 24 kilometres per day	No deduction
25 - 120 kilometres per day	DKK 2,28/kilometre
120+ kilometres per day	DKK 1,14/kilometre
25 – 120+ kilometres per day	DKK 253/kilometre (outer municipalities and islets)

2.13 Tax reimbursement methods

What are the tax reimbursement methods generally used by employers in Denmark?

Local employees generally have gross salary contracts. For international assignees net salary contracts with current year gross-up are often implemented.

It is not possible to use the 1-year roll-over method in Denmark.

2.14 Calculation of estimates/prepayments/withholding

How are estimates/prepayments/withholding of tax handled in Denmark? For example, Pay- As- You-Earn (PAYE), Pay-As-You-Go (PAYG), and so on.

PAYE for employees

Tax on salary is reported at the end of each month by the employer. Normally, the employer withholds tax in accordance with the tax rate on the tax card, which is issued along with the preliminary income assessment. The tax card information is electronically available for the employer. If the tax card is not available at the time of payment, a tax withholding of 55 % will apply on the salary. (After deduction of 8 percent labour market contribution)

PAYG for business income and other non-salary income

Some income types are defined as B-income (income not subjected to taxation at source) and is subject to B-tax. B-taxes are normally paid in 10 instalments directly to the tax authorities based on a pre- assessment. The payment is due by the 20th of each month. No payment is due in June and December.

When are estimates/prepayments/withholding of tax due in Denmark? For example, monthly, annually, both, and so on.

Normally, the employer withholds taxes each month from the employee's salary and reports the income to the Danish tax authorities every month.

If the income is subject to B-tax the employer does not withhold taxes but must report monthly.

2.15 Relief for foreign taxes

Is there any Relief for Foreign Taxes in Denmark? For example, a foreign tax credit (FTC) system, double taxation treaties, and so on?

Credit relief is granted under Danish legislation if income from abroad is taxable both in Denmark and in the country/jurisdiction of source. The relief is granted as a tax credit in computing the Danish withholding percentage and the final Danish tax calculation. The employer cannot apply an FTC at the source outside the tax card system.

In addition, the Danish tax authorities can issue a certificate of non-withholding on income not subject to Danish taxation which allows the employer to pay out without withholding taxes at the source.

Denmark has concluded a broad network of double tax treaties. Most of the treaties apply the credit method, but some are still based on the exemption principle, which means that foreign income is not taxed in Denmark. The relief is granted in the same way as under the internal rules; see above.

2.16 General tax credits

What are the general tax credits that may be claimed in Denmark? Please list below.

There are no general tax credits in Denmark.

2.17 Sample tax calculation

This calculation assumes a married taxpayer resident in Denmark with two children (spouse is not working), whose 3-year assignment begins 1 January 2024 and ends 31 December 2026.
The taxpayer's base salary is 100,000 US dollars (USD) and the calculation covers 3 years

Calendar	2024 USD	2025 USD	2026 USD
Salary	100,000	100,000	100,000
Bonus	20,000	20,000	20,000
Cost-of-living allowance	10,000	10,000	10,000
Housing allowance	12,000	12,000	12,000
Company car	12,110	12,110	12,110
Moving expense reimbursement	20,000	0	20,000
Home leave	0	5000	0
Education allowance	3,000	3,000	3,000
Interest income from non-local sources	6,000	6,000	6,000

Exchange rate used for calculation: USD1.00=DKK 6.890554

Other assumptions

- All earned income is attributable to Danish sources, except interest income. Current 2024-tax rates are applied for 2025 and 2026 tax calculations.
- Bonuses are paid at the end of each tax year and accrue evenly throughout the year.

- The company car is used for business and private purposes and originally costs in 2024 USD 50,000 (excl. environmental fee).
- The employee is deemed resident throughout the assignment.
- Tax treaties are ignored for the purpose of this calculation, i.e., this is only a Danish tax calculation.
- The employee lives in Copenhagen, Denmark. The spouse has no income. They are not members of the Danish protestant church.

Calculation of taxable income

Year-ended	2024 DKK	2025 DKK	2026 DKK
Days in Denmark during year	**365**	**365**	**365**
Earned income subject to income tax			
Salary	689,055	689,055	689,055
Bonus	137,811	137,811	137,811
Cost-of-living allowance	68,906	68,906	68,906
Housing allowance	82,687	82,687	82,687
Company car	83,445	83,445	83,445
Moving expense reimbursement*	137,811	-	137,811
Home leave	-		-
Education allowance	20,672	20,672	20,672
Total income	1,082,575	1,117,028	1,082,575
AM-contribution 8 percent	86,606	89,362	86,606
Personal income (income after deduction of AM contribution)	995,969	1,027,665	995,969
Interest income	41,343	41,343	41,343
Employment allowance	- 45,100	- 55,600	- 45,100
Job deduction	- 2,800	- 2,900	- 3,100
Total taxable income	989,412	1,010,509	970,912

* Please note that this is not included as taxable income, as this is a reimbursement in connection with a secondment.

FOOTNOTES:

Sample tax calculation generated by KPMG Acor Tax, the Danish member firm affiliated with KPMG International Cooperative

Calculation of tax liability

	2024 DKK	2025 DKK	2026 DKK
Taxable income as above	989,412	1,021,109	989,412
Total Denmark tax (including AM- contribution)	501,824	489,635	470,821
Less:			
Foreign tax credits	0	0	0

("KPMG International"), a Swiss entity, based on the Danish Individual Tax Act (personskatteloven), the Danish Tax Control Act (skattekontrolloven), the Danish Withholding Tax Act (kildeskatteloven), and the Danish Tax Assessment Act (ligningsloven)

03

Special considerations for short term assignments

3 Special considerations for short-term assignments

For the purposes of this publication, a short-term assignment is defined as an assignment that lasts for less than 1 year.

3.1 Residency rules

Are there special residency considerations for short-term assignments?

An assignee who does not have a home available in Denmark and who does not stay in Denmark for more than 6 consecutive months is categorized as non-resident, Staying in a hotel is not considered as having a home in Denmark.

Short stays abroad for leisure or holiday will not be considered as an interruption of the 6-month period whereas working abroad will.

3.2 Payroll considerations

Are there special payroll considerations for short-term assignments?

No.

3.3 Taxable income

What income will be taxed during short-term assignments?

A non-resident is only liable to taxation in Denmark on Danish-source income/limited tax liability, which is salary for work performed in Denmark for a Danish employer (also hired out labour).

3.4 Additional considerations

Are there any additional considerations that should be considered before initiating a short- term assignment in Denmark?

A non-resident will not be eligible for all the same deductions which residents receive.

A previous assignment period in Denmark with Danish tax residency or taxation of salary income from Denmark may later disqualify for the 27 percent tax scheme.

When work is performed in Denmark, it is relevant to consider, if the employee will need a work permit or should register as an EU citizen in Denmark.

04

Other taxes and levies

4 Other taxes and levies

4.1 Social security tax

Are there social security/social insurance taxes in Denmark? If so, what are the rates for employers and employees?

Labour market supplementary pension (ATP)

In general employers in Denmark pay a number of minor contributions (ATP, AER, AES, LG etc,) amounting to approximately DKK 8-10,000 per employee per year, excel, of mandatory industrial injury insurance.

The rates for are as follows:

	2025 (DKK)	2026 (DKK)
ATP – Employee	1,188	1,188
ATP (Net) – Employer	3,564	3,564
AUB– Employer	3,111	2,821
FIB – Employer	397	328
Maternity Equalization Fund – Employer	1,550	2,200
AES – Employer	252-9,640	284-10,892
AFU – Employer	0	0
Salaried Employees Vacation fund (admin fee) – Employer	22	20
Vacation Account (Admin fee)	72	16

4.2 Gift, wealth, estate, and/or inheritance tax

Are there any gift, wealth, estate, and/or inheritance taxes in Denmark?

Inheritance and gift tax[1]

Danish inheritance tax is payable provided the deceased was domiciled in Denmark at the time of death.
If the deceased did not reside in Denmark but owned assets located in Denmark that are not included in an estate processed outside Denmark, Danish inheritance tax may be payable. Further, if the deceased did not reside in Denmark at the time of death but was a Danish national or had other special attachment to Denmark and owned assets that are not included in an estate processed outside Denmark, Danish inheritance tax may also be payable.

The rate depends on the relationship between the heir and the deceased, The rate for children and certain other close relatives is 15 percent of the estate exceeding DKK,392,300 (2026), For other heirs, the fee rate is up to 25 percent after deduction of the first 15 percent, Inheritance from a spouse is tax exempt.

[1] According to the Danish tax authorities, the estate and gift tax act (boafgiftsloven) of 2001 and subsequent amendments.

Gift tax applies if the donator or the donor is resident in Denmark, or if the gift consists of real estate or assets belonging to a permanent establishment in Denmark. Gifts between spouses are tax exempt.

Gifts between children and parents and certain other close relatives are subject to 15 percent tax, However, gifts not exceeding DKK 80,600 (2026) are tax exempt, Gifts to children in law are tax exempt, if they do not exceed DKK 28,200 (2026) while gifts to grandparents are subject to 36,25 percent tax for gifts not exceeding DKK 80,600 (2026), Gifts to unrelated parties are treated as personal income in the hands of the recipient.

Wealth taxes

As such, there is no wealth tax in Denmark, although the property value tax mentioned later is to a certain extent classified as such.

4.3 Real estate tax

Are there real estate taxes in Denmark?

Property value tax[2]

Property value tax is calculated on the basis of the taxable value of any real estate owned on 1 January of the income year in which the owner uses the property as a private residence.

As of 1 January 2024, the Danish property values taxes are calculated as 0,51% of the property value of until DKK 9,007.000, and 1,4% of the property value exceeding DKK 9,007.000.

The reduced rates reflect that as of 1 January 2024, Danish (and foreign) properties will generally get a higher base value compared to the rule set applicable before 2024, These taxable values also apply to foreign property taxable in Denmark. The basis for calculating the property value taxes will be the market value, unless there is a public valuation system in the country where the property is placed which is considered comparable to the Danish system. The basis for calculating the property value taxes (public valuation or market value, cf., the different calculation methods) may be reduced with 20% depending on the applicable calculation method.

If the foreign property was owned before 31 December 2024 and is subject to Danish property value tax for 2024, a tax discount (“skatterabat”) will apply as of 2024 to ensure that taxpayers will not pay more in Danish property value tax in 2024 than they did in 2023. The tax discount is permanent and only covers the difference between Danish property value tax calculated according to the old rules for 2023 and the Danish property value tax calculated according to the new rules for 2024.

This means that if the calculated property value increases for 2025 or future income years, this would result in an additional Danish property value tax as it is not covered by the tax discount (“skatterabat”)., Taxpayers have the possibility to “freeze” this increase in Danish property value taxes until sale of the house provided that security is placed for the loan, e.g., in the home, It should be noted that interest will apply until the full payment on the loan

If there is no foreign assessment, the value of the property can be estimated on the basis of a foreign index, Both the foreign assessment and the foreign index must be approved by the Danish tax authorities.

has been made.

If the property is bought after 2024, no discount will apply to the Danish property value tax. If the property is rented out, it is as a main rule not subject to Danish property value taxes.

[2] According to the Danish tax authorities, the property value tax act (ejendomsværdiskatteloven) of 2002 and subsequent amendments

Property tax

Property in Denmark is subject to property tax, which is payable to the municipality where the property is located. The tax rate varies from municipality to municipality and is calculated as 0.89% of the taxable value (beskatningsgrundlag). The basis of taxation is the value of the property minus 20%.

This property tax is collected through the tax assessment for the income year 2024 and onwards.

Real estate transfer taxes[3]

A real estate transfer tax of 0,6 percent (fee for registration of the ownership of the property) of the sales price or the public evaluation (whichever is the highest) is liable on the transfer of title to real property situated in Denmark. The amount is rounded up to the nearest DKK 100 and DKK 1,850 (2026) is added.

4.4 Sales/VAT tax

Are there sales and/or value-added taxes in Denmark?

Value-added tax (VAT) is 25 percent on all goods and services. Some goods and service are zero rated or VAT exempt, such as:

- Newspapers
- Passenger transport (taxi/trains/public busses)
- Medical services/dental services
- Financial services
- Old buildings/real estate, list non-exhaustive

4.5 Unemployment tax

Are there unemployment taxes in Denmark?

Yes. Income from unemployment funds or similar is taxed as ordinary income.

4.6 Other taxes

Are there additional taxes in Denmark that may be relevant to the general assignee? For example, customs duty, excise tax, stamp tax, and so on

Customs duty

Goods brought into Denmark from a non-EU country/jurisdiction may be liable to customs duty and VAT. The customs duty will depend on the type of goods and the value or quantity of the goods.

Personal property imported by natural persons transferring their normal place of residence from a third country to EU/Denmark are free of import duties. In order to obtain exemption, the personal property must have been in the possession of and, in the case of non-consumable goods, used by the person concerned at the person's former normal place of residence for a minimum of six months before the date on which he ceases to have his normal place of residence in the third country of departure. Further it is a condition, that it is intended to be used for the same purpose at his new normal place of residence. No relief is granted for alcohol and tobacco. The personal property subject to exemption must not be sold within 12 months after arrival to EU/Denmark.

[3] According to the Danish tax authorities, the real property transfer tax act (Lov om afgift af tinglysning og registrering af ejer-og panterettigheder m,v,) of 1999 and subsequent amendments

Registration tax on vehicles

A registration tax of 25-150 percent of the value of a vehicle in Denmark is payable on the import or purchase of a car or motorcycle. Registration tax on used cars brought into Denmark is calculated on the Danish market value of the car. Under certain conditions, expatriates staying in Denmark may bring their private car to Denmark without having to pay a registration tax, provided they do not take up residency in Denmark, and do not have their family living with them in Denmark. It is a condition for being exempt from payment of registration fee, that the expat is in Denmark for a period of less than 185 days within a 12- month period. Expatriates who will stay in Denmark for a for a time limited period of more than 185 days within a 12-month period, will need to pay registration fee can choose to pay according to a quarterly scheme. According to the scheme, a certain percentage of the registration fee is paid along with a fixed interest fee.

No VAT and customs duties are levied on cars brought to Denmark for private use by expatriates from other EU countries/jurisdictions. The same applies to import from non-EU countries/jurisdictions provided the car has been owned and used by the expatriate for at least 6 months in the country/jurisdiction from which the expatriate comes and the expatriate has been staying there for at least 12 months. However, restrictions apply to cars brought into Denmark without customs, for example the owner is not allowed to sell the car within the first year.

Registrations fee (Tinglysningsafgift)

A registration fee is payable in relation to registration with the Danish registration authority of ownership and security rights regarding real estate, moveable property, ships and airplanes.

As a main rule the registration fees are as follows:

- DKK 1,825 plus 1,45 percent of the registration fee basis regarding security rights to real estate
- DKK 1,850 plus 1,5 percent of the registration fee basis regarding ownership and security rights to certain moveable property
- 0,1 percent of the registration fee basis regarding ownership and security rights to ships and airplanes.

Please note that special rules apply regarding the calculation of the registration fee basis as well as regarding certain situations or certain moveable properties including certain ships.

Foreign Financial Assets

Is there a requirement to declare/report offshore assets (e.g., foreign financial accounts, securities) to the country/jurisdiction's fiscal or banking authorities?

N/A (a reporting obligation to the Danish tax authorities).

05
Immigration

5 Immigration

Following is an overview of the concept of Vietnam's immigration system for skilled labor.

This summary provides basic information regarding business visits to, and work authorization for Denmark. The information is of a general nature and should not be relied upon as legal advice.

With regard to entry and residence into Denmark it has to be differentiated between nationals of the European Union respectively the European Economic Area, nationals from Privileged countries/jurisdictions and so-called third country/jurisdiction nationals.

Most foreign nationals who intend to engage in active, productive employment in Denmark will need a work or/and residence permit. Depending on the purpose of travel to Denmark and the nationality of the traveler, there are different types of permits that will apply to the occasion, and which vary in their processes and processing times, For all work authorization types, foreign nationals must coordinate with their employer to collect and legalize corporate and personal documentation.

The Nordic countries/jurisdictions are known as the Privileged countries/jurisdictions (Sweden, Iceland, Norway and Finland. Citizens of these countries are free to enter, live, study and work in Denmark and they do not need a visa or residence permit.

As a Nordic citizen, can enter Denmark without a passport but must however be able to show identification if required. A driver's license or bankcard is sufficient identification.

EU citizens have the right to Freedom of movement, which means they have unrestricted access to the Danish labor market. A work and residence permit or visa will not be required for either entering or working in Denmark. The same rules apply to citizens of Liechtenstein and Switzerland. However, they will need to obtain an EU-registration certificate at the local immigration office if they are planning to stay in Denmark more than 3 months.

Non-EU nationals need a residence and work permit in order to live and work in Denmark. A residence and work permit can be obtained through a number of schemes depending on the applicant's primary reason for coming to Denmark, such as work or education. The most commonly used scheme is the so called Pay Limit scheme, which implies a fairly smooth process for individuals who has been employed with a home-country or a Danish employer and are paid a certain minimum salary.

However, the salary and terms of employment should always correspond to Danish standards. Salary must in some situations be paid into a Danish bank account; accordingly, the salary cannot be paid in cash or to a foreign bank account.

Overview of Visa required and Visa exempt countries/jurisdictions including the different visa schemes can be seen here:

New to Denmark (nyidanmark.dk)

5.1 International Business Travel/Short-Term Assignments

Describe (a) which nationalities may enter Denmark as visa exempt national, (b) which activities they may perform and (c) the maximum length of stay

Denmark distinguishes further between Visa required Nationals and Visa exempt Nationals. Visa exempt nationals can enter Denmark for business visitor purposes without the need to apply for an entry visa.

For Visa required Nationals there will be required a Visa for entering Denmark. The Danish representative abroad - local immigration authorities (embassy, Visa Centre's etc.) are the responsible for issuing the visa in their home country/jurisdiction.

Visa exempt nationals are allowed to enter Denmark as tourists or business visitors using their passports for up to 90 days within 180 days rolling period, However, no work is allowed during the stay.

The Danish Ministry of Immigration and Integration has added an exemption rule to the list of work allowed without a work permit, The amendment has taken effect from the 17 November 2023.

According to this new amendment, non-EU nationals can now, if the conditions are met, be allowed to perform work in Denmark without a work permit for two separate periods of no more than 15 working days per 180-days period. To be covered by the exemption rule, the conditions described below must be met.

- The employee has to be employed at an intra-group company outside of Denmark.
- The company in Denmark must have at least 50 employees.

The employee can only be covered by the exemption rule in Denmark for up to 2 separate periods of no more than 15 consecutive working days each within 180 days. The working periods must be separated by a stay outside of Denmark of minimum 14 calendar days.

The period of 180 days constitutes a rolling calculation. This means that the employee can work in Denmark for 2 separate working periods of no more than 15 consecutive working days each within a period of 180 days, whereby the period of 180 days prior to each day of stay is taken into account.

The exemption rule can be applied for all types of work to be performed in Denmark. However, the below industries are subject to some limitations:

Construction

Agriculture, forestry, and horticulture Cleaning

Hotels and restaurants

On 19 December 2025, new rules came into effect, meaning that in certain cases, foreign nationals (third-country nationals) will be able to work in Denmark for short periods even if they do not have a residence and work permit.

The new exemption rule applies to event and conference staff.

It is a prerequisite that the employee is a permanent member of an international event team and is employed by a foreign organizer or a foreign subcontractor, The employing company must be established outside Denmark, However, staff normally provided by the event venue, including security guards, cleaning staff, waiters and drivers, are not covered by the exemption.

The exemption rule can be applied in connection with international, closed and indoor congresses, trade fairs, conferences or corporate events with a total of at least 400 registered participants. The event must be closed, i.e. aimed at a professional or trade target group, and must not be open to the public.

Each work stay must last a maximum of 10 working days, which may be before, during or after the event.

Road freight transport, Visa required Nationals:

A visa normally grants the right to stay in the entire Schengen region. In order to obtain a Visa the following (2024) conditions must be met:

- passport or other form of valid travel document must be valid for 3 months past the visa expiration date.
- passport or travel document must have been issued within the past 10 years.
- the traveler must have the necessary means to pay for the stay and return trip. What will be considered as necessary funds will be determined by the Danish diplomatic mission and depends on the length of the stay, and whether the traveler will stay at a hotel or with friends or family. As a general rule, the traveler must dispose over approx., DKK 350 (EUR50) per day or DKK 500 per day if you're staying at a hotel however, it can vary.
  - The traveler must hold a travel insurance policy to cover possible expenses in connection with a return for health reasons or death, indispensable medical treatment or acute hospitalization during the stay, The insurance policy must cover all Schengen countries/jurisdictions, and the minimum policy coverage is EUR30,000. The insurance policy must be valid for the same period as the visa. The validity of the visa may be shortened if the insurance policy does not cover the entire period.
  - The traveler may not be registered as an undesirable in the Schengen Information System (SIS II).
  - The traveler may not have been deported from Denmark and given an entry ban.
  - The traveler may not be listed on UN or EU sanction lists.
  - The traveler may not be listed on the national sanction list of religious preachers with entry ban.

These conditions apply at the time the visa is issued, as well as when one enters and stays in the Schengen region. It is therefore important that one is able to document at all times that they have the necessary funds to pay for the stay and return trip, and that they hold a valid travel insurance policy. If one does not meet these conditions, the visa can be confiscated and revoked, in which case one will be required to leave the Schengen region immediately.

If the Immigration Service suspects that one intends to seek permanent or long-term residency in Denmark, or that one may pose threat to national security or public safety, one's visa application will be refused.

The Schengen countries/jurisdictions are: Austria, Belgium, the Czech Republic, Croatia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and Switzerland.

The counting of the 90 days in any 180-day period must include stays in all Schengen countries/ jurisdictions, unless the individual has stayed in Denmark or in another Schengen country/jurisdiction on the basis of a residence permit or long-stay visa (D visa). All the days in a Schengen country/jurisdiction will count, which means that both the entry day and the exit day are included in the 90 days. The entry day to a Schengen country/jurisdiction is the first day and the exit day is the last day of the stay.

Requirements for visa nationals when visiting Denmark for a business purpose

Business visitors from a visa required country/jurisdiction must meet the following requirements:

- There must be an actual commercial relationship between the business visitors own company/organization and the company/organization in Denmark.

- The Danish company / organization must be registered in the Central Business Register (CVR).
- The relationship with the company/organization in Denmark must have been established prior to the business visitor's entry to Denmark,
- The purpose of the visit must be related to the line of business in the business visitor's country/jurisdiction of origin.
- The company/organization in Denmark must confirm the visit.

The host (company) of the business visit will first need to fill an invitation – we recommend that the authorities' standard form is being used. The company can use an online form.

When visiting the Visa office, the following is needed:

- The invitation from the company in Denmark, either in the form of a printed invitation or an invitation ID, if the host has submitted an online invitation
- Travel insurance covering the entire Schengen area which is valid for the expected duration of the stay, The minimum coverage must be 30,000 €
- A passport or other valid travel document. The passport/travel document must be valid for at least 3 months after the planned departure date. Moreover, the passport/travel document must have been issued within the past 10 years and must have at least two blank pages
- A passport photo measuring 35mm x 45mm.
- Relevant documentation, such as documentation for the purpose of the visit and business branch
- Proof of return when the Visa expires.
- Further documentation, such as documentation which may be needed in some kind of branches or circumstances.

List of Visa Offices´ around the world:

Where to apply for a visa or residence permit (um.dk)

Red Carpet Program

Companies, educational institutions, NGOs and other organizations can be given prior approval to host foreign visitors who require a visa. A prior approval is especially beneficial for companies / organizations that host foreign visitors who require a visa several times a year.

Visa nationals who apply for a visa to visit an organization that has received prior approval benefit from some of the advantages associated with the Red Carpet Program which is managed by the Ministry of Foreign Affairs. This includes:

- Faster processing times
- A flexible application procedure
- Easier access to long-term, multiple-visit visas. For applying and more information:

https://nyidanmark,dk/en-GB/You-want-to-apply/Short-stay-visa/Prior-approval-for-companies?anchor=FA496CEBDE9A4605A54B1FE8C6FD9976

5.2 Long-Term Assignments

What are the main work permit categories for long-term assignments to Denmark? In this context outline whether a local employment contract is required for the specific permit type

Pay Limit Scheme:

If the offered job in Denmark is with a high salary, a work- and residence permit can be applied for based on the Pay Limit Scheme. It is not required that the employee has a specific educational background or that the job is within a specific professional field. The salary and terms of employment should always correspond to Danish standards.

It is a requirement that the annual gross salary is at least minimum of DKK 552,000 or higher (2026 level) and the salary must be paid into a Danish bank account (only if work period in Denmark is expected to exceed 180 days) and the employment must be correspond to Danish standards.

Salary can only consist of:

- Salary in the form of liquid assets
- Payments to labor market pension schemes
- Paid holiday allowance

Only paid holiday allowance from the employer whom you are currently allowed to work for can be counted as part of your salary up to and including the Pay Limit Scheme's minimum amount.

If you earn holiday allowance paid to you in the following holiday year, the holiday allowance cannot be counted as a part the annual salary of the year in which you earned the holiday allowance.

Read more about the pay limit scheme here: New to Denmark (nyidanmark.dk) Fast Track certification – Only an option for Danish companies:

The Fast Track certification is an option for Danish companies. Danish companies who employ non-EU nationals can apply for a Fast Track certification, The Fast Track certification gives the non-EU employee the possibility to apply for a work and residence permit based on the Fast Track Scheme.

To be Fast Track certified as a Danish company the following conditions must be met:

- There must be at least 10 full-time employees
- Within the past year from the time of certification, the company must not have been convicted under the Danish Aliens Act more than twice nor must it have been subject to a fine under the Danish Aliens Act of at least 60,000 DKK (if the company employs less than 250 full-time employees) respectably at least DKK 100,000 (if the company employs more than 250 full-time employees)
- The company must not be involved in a legal labor dispute
- The company must not have been issued a red smiley by the Danish Working Environment Authority.

As a part of the application process, the immigration authorities have a mandatory online meeting with the company. A representative authorized to be able to sign on behalf of the company must participate to the meeting.

Once the company has been certified the non-EU employees can apply for a work and residence permit based on the tracks available on the Fast Track Scheme.

Fast Track Scheme:

The Fast-track scheme makes it faster and easier for certified companies to recruit foreign employees to work in Denmark. (Please see further below for the exact schemes under the Fast-track Scheme.

This means that the employee, as a highly qualified employee, can have a quick and flexible job start in the certified company.

In addition, the scheme allows the employee to alternate between working in Denmark and working abroad, The salary and employment must correspond to Danish standards.

The Danish company must be certified for the Fast- track Scheme.

The schemes connected to the Fast Track Scheme:

- Pay limit scheme
- The Supplementary Pay limit scheme (The salary must be paid into a Danish bank account)
- Short term scheme
- Researcher scheme
- The educational scheme

Read more about details regarding the schemes below and the Fast-track scheme here: New to Denmark (nyidanmark.dk)

Trainee (non-local contract):

To be granted a work- and residence permit as a trainee, there must be a verified strategic cooperation or partnership between a company or organization abroad and the Danish employer.

Conditions:

The employee is employed in the parent, sister or subsidiary company of an international concern and will be in Denmark temporarily to improve your skills at a Danish parent, sister or subsidiary company.

Afterwards, the employee will return to your job abroad.

- A Danish company, wishing to establish a subsidiary company abroad.
- A Danish company has an established clientele in the home country/jurisdiction and wishes to employ the employee to look after their interests. Thus, firstly the employee has to be trained in Danish production and management in Denmark.
- While in Denmark, the employee must follow an educational course relevant to the job abroad,
- The salary and employment must correspond to Danish standards.

Read more about the Trainee related work permit here: New to Denmark (nyidanmark.dk)

Job seeking permit for students

From 1 April 2023, students completing an education at least a Danish bachelor's degree will be granted a job seeking permit valid for three years.

As a holder of this job seeking permit, the employee will be eligible to apply for a special residence and work permit which will allow work for different employers in Denmark.

Positive lists, Researcher, Special individual qualification Scheme:

All these Schemes are categorized as, when the employee has a special qualification, highly skilled or have special authorization.

Common for these are:

- The employee will need a certification, special education, or authorization for a specific kind of job.
- The salary and employment must correspond to Danish standards.
- The salary must be paid into a Danish bank account.

Special for the Positive List Schemes - there are certain types of jobs, which is highly needed at the Danish Labor market, and therefore able to be granted permission to work in Denmark.

List of jobs on the Positive List: https://nyidanmark.dk/en-GB/You-want-to-apply/Work/Positivlisten

The List is updated twice in a year – in January and July. The job titles on the positive list will be locked and cannot be removed from the list for at least two years.

Provide a general process overview to obtain a work and residence permit for long- term assignments (including processing times and maximum validation of the permit)

For obtaining a work- and residence permit below is the description of the steps:

- Create a case ID at http://www.nyidanmark.dk/ and pay the fee.
- Gather documentation:
  - Documentation of paid fee, Attach receipt for your payment.
  - Copy of all pages of your passport – including all empty pages and the passport's front and back cover.
  - Employment contract or job offer which contains information about your salary and terms of employment and a job description. The offer or contract must not be more than 30 days old.
  - In order to assess whether the salary corresponds to Danish standards, six-digit DISCO code/ ISCO code corresponding to the job function is needed, https://ilostat,ilo,org/methods/concepts-and-definitions/classification-occupation/
  - Documentation of education relevant to the job offered.
  - Documentation of authorization. Only relevant if the job requires a Danish authorization.
- Fill in the mandatory online application Under special circumstances, you can be exempted from the requirement to use an online application form which has to be submitted when obtaining biometrics.
- The employee must have biometric features recorded no later than 14 days after application submission

  – if the application has been submitted online.

The processing time for the authorities is generally approx. 1 month and their administrative fee is DKK 6,810 in 2026.

However, please note that more strict documentation is required if the company is newly established.

Is there a minimum salary requirement to obtain a long-term work and residence permit for assignments? Can allowances be taken into account for the salary?

For Pay Limit Scheme the annual salary has to be minimum gross DKK 552,000 or higher or minimum DKK 446,000 if Supplementary Pay limit scheme (2026 level) and the salary must be paid out to a Danish bank account when it relates to the supplementary pay limit scheme.

Per diems and allowances cannot be taken into account.

Is there a fast-track process which could expedite the visa/ work permit?

Please see Red Carpet program for short-term visas and Fast-track Scheme for work and residence permits.

At what stage is the employee permitted to start working when applying for a long-term work and residence permit (assignees/ local hire)?

There is certain type of schemes that belong under the Fast-track Scheme, where you can start right away after you have applied as the employee will receive a provisional work permit after submitting biometrics at either a VFS center/Embassy outside Denmark or at a SIRI center in Denmark. Normally you will have to wait until the application has been processed and approved, which normally takes 2 months.

The Schemes connected to Fast-track Scheme are:

- Pay Limit Schemes (Described above)
- Researcher Scheme

There must be specific research-related reasons for offering you the position as a researcher. This means that the position must be closely connected to you and that the main purpose of your stay must be to do research.

- Educational Scheme:

If you are a highly qualified foreign national with significant work experience within a certain professional field, the educational track is of relevance to you, provided that you either receive highly qualified training in the certified company, or will be training other employees in the certified company at a highly qualified level.

- Short-term Scheme:

If you are not covered by the rules of exemption but have been offered a contract with a maximum duration of 90 days in a certified company, the short-term track is of relevance to you.

Please note, that the Danish company must be certified for being able to use Fast-track Scheme.

Can a short-term permit/ business visa be transferred to a long-term permit in Denmark?

Yes, but the process needs to start again, However, the employee can apply while being in Denmark, which means it is not needed to leave Denmark for starting the new process – if applying before the current expires.

Is it possible to renew work and residence permits?

The work- and residence permit based on the specific scheme can be extended if the employee still has the same job – if not, a new initial 'first time' application must be submitted.

The extension of the work- and residence permit cannot be renewed before 3 months of the original expire day of the work- and residence permit.

The employee is allowed to continue to work, as long as the extension application has been submitted before the expiry date of existing work and residence permit.

The employment must not have been subject to any changes. This means that the employee is in the same position, under the same employer and under the same or improved terms of employment,

Is there a quota or system or a labour market test in place?

No.

5.3 General Immigration Related Questions

Would it be possible to bring family members to Denmark?

Dependents are allowed to join the employee (main applicant.

It is the same procedure as the residence permit – from start to end by using the application form for accompanying family member. Documentation, such as marriage certificate, birth certificate etc are required.

Only general demand is that the working family member in Denmark will have to support the dependent, financially.

The processing time for the authorities is approx. 2-4 month and their administrative fee is DKK 3,080 (2026 level.

Permanent residence permit:

Is it possible to obtain a permanent residence permit?

Yes, however the Danish Immigration act is quite strict. Here are some of the demands:

- 8 years' legal residency in Denmark
- Not have been convicted of certain crimes
- Not have any overdue public debts
- Not have received certain forms of social benefits
- Signed declaration of residence and self-support
- Continue to work
- Several Danish language tests
- Employed for at least 3 years and 6 months

In special situations and if conditions are met, application for permanent residence permit can be applied for after legally residing in Denmark for 4 years.

Further demands can apply in the specific case.

How long can a permit holder leave Denmark without their permit becoming invalid?

With a temporary residence permit, the employee may leave Denmark for a maximum of 6 months in a row.

If the residence permit in Denmark is with the possibility of permanent residence and the individual has resided legally in Denmark for more than 2 years with a view to permanent residence, it is allowed to leave Denmark for a maximum of 12 months in a row.

De-register the Danish address or do not return to Denmark within 6 or 12 months will cause that the residence permit will automatically lapse.

A permanent residence permit will also lapse, if the holder no longer has a residence in Denmark and leave Denmark or if leave Denmark for more than 12 months in a row.

In case of need, it is possible to apply and be granted a dispensation if it is a well-founded purpose with the travel abroad or if the individual has been prevented from returning to Denmark.

With a permit based on the Fast-track scheme, the permit is exempt from laps.

What if circumstances change after application process (e.g., change of employment or personal situation, including job title, job role or salary)?

The residence permit, unless permit based on Fast track scheme, will automatically lapse if the employee no longer has a residence in Denmark or if leaving Denmark for a longer period, either for working or for holiday.

Therefore, applying for dispensation to prevent the residency permit from lapsing- Possible to apply both before and after you leave Denmark.

Must immigration permissions be cancelled by the end of the assignment/employment?

No, in general the permissions expire at a given date and therefore automatically expires if they are not extended.

If there are changes to the work period or the employment is terminated, the employer is obligated to notify the authorities.

Are there any penalties for individuals and/or companies in place for non-compliance with immigration law?

Denmark differs between penalties for the individual and the companies. Penalties could be deportation of the employees, restriction on re-entering Denmark or monetary fines.

An employer who employs a foreign national without the necessary permit or divergent to the terms of the permit may be subject to a fine or imprisonment.

A fine can be up to DKK 10,000 per month per person employed illegally by you company. Under certain circumstances, the fine could be larger.

A foreign national working without the necessary permit risks being subject to a fine or in worst case imprisonment for up to 1 year and being deported from Denmark and banned from re-entering Denmark for a certain period.

The immigration authorities continuously carry out initiatives to ensure compliance with the legislation concerning foreign nationals.

5.4 Other Important Items

List any other important items to note, or common obstacles faced, in Denmark when it comes to the immigration processes

Back to top

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities,

kpmg,com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity, Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future, No one should act on such information without appropriate professional advice after a thorough examination of the particular situation,

© 2026 Copyright owned by one or more of the KPMG International entities, KPMG International entities provide no services to clients, All rights reserved,

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited (“KPMG International”), each of which is a separate legal entity, KPMG International Limited is a private English company limited by guarantee and does not provide services to clients, For more detail about our structure please visit kpmg,com/governance,

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization,