TAXPATRIA
expatriate tax assistance

compliance guideline

What are the implications of a secondment to Belgium ?

A **secondment** involves an employee being **temporarily assigned to another entity** within the same international group of companies. In some cases, the employee may even be seconded to a **different** employer altogether, like a client or a business partner.

The idea is that the former employer **'lends' the secondee to the host** but remains their employer for the duration of the assignment. If the host employer is a **Belgian company**, the parties involved need to make sure that the secondment complies with the relevant **Belgian employment, tax, and social security** requirements.

If the employee arrives in Belgium and registers here, he will **automatically** be considered a **tax resident** who is liable here for taxes on their worldwide income. However, if the stay in Belgium is only of a **temporary nature** and the employee retains closer social and economic ties with their home country, they could apply for a **non-resident tax status** in Belgium instead. If this application is successful, the employee will only pay tax here on their **Belgian source income**.

In this context, the salary will only be considered **taxable in Belgium** if it is paid or the salary cost is borne **by the Belgian host**. If the salary is paid by the **former employer abroad**, the salary will not be taxable in Belgium if the employee stays (not only working) in Belgium as the country of employment for **less than 183 days** in any period of 12 months. As soon as the Belgian secondment lasts for **more than 183 days**, the salary will be taxable here and a Belgian tax return will need to be filed.

It is important to mention that a **special tax regime** is also available to certain foreign executives, specialists, and researchers who are **temporarily assigned to Belgium**. Under this special regime, the seconded employee can benefit from several **expat tax allowances**.

The employee **may also be exempt** from **Belgian social security** for the duration of their secondment, within an EU context or if a bilateral social security treaty is in place with the home country. If certain conditions are met, the employee can **continue to pay social security abroad** while working in Belgium. This is typically demonstrated with a portable '**A1**' document or with a **certificate of coverage** from a foreign social security authority. This 'PD A1' is normally valid for a period of **up to 24 months**.

Any foreigner working in Belgium, paying social security abroad, also must complete a mandatory **LIMOSA declaration**. This declaration enables the Belgian authorities to monitor any foreign employees that are active here but are not paying into the Belgian system.

TAXPATRIA® regularly **advises on cross-border assignments** and we make sure you are **fully compliant** when temporarily seconding employees to Belgium.