



Which expats can benefit from a special tax regime ?

Based on an **administrative practice** that has been in place since the 1980s, **expats** who come to work in Belgium and who meet certain conditions, are entitled to reduced **income taxes and social security contributions** on their Belgian salary.

The expats who can benefit from this regime are **foreign executives, specialists, and researchers**. Only those who **do not have the Belgian nationality** are eligible. While this is quite a controversial requirement, the status is therefore only accessible for **non-Belgian nationals**.

The tax status can be applied for by the **following categories** of expats:

- (i) foreign **executives** who are working in a managerial position in a Belgian branch or Belgian company, without necessarily being considered an employee;
- (ii) foreign **specialists** who have special knowledge or specialist skills that are very difficult or impossible to find on the Belgian labour market;
- (iii) foreign **researchers** who work in Belgium as scientists in a recognized scientific research centre or laboratory.

The expatriate must obligatorily have been **directly recruited abroad** by a Belgian company **or temporarily assigned from abroad** to a Belgian entity that is part of an international group. A company is considered to be '**international**' when it has an entity in at least one country other than Belgium or at least 50% of the shares of the Belgian entity are held by a foreign shareholder.

Research centres or laboratories must not be part of an international group but must be exclusively engaged in scientific or technical research in any type of area. Simply collecting information or documentation **is not enough** to qualify as a **research centre**, except when this activity is carried out with a view to creating new regulations or to developing new manufacturing methods or products.

If the expat earns a gross remuneration of **at least €50,000 per year**, the tax office automatically presumes that the employee has **special skills**. If the annual salary is **lower**, it is still possible to apply for the expat status, but any special knowledge or experience **must be demonstrated** in that case. This can be done on the basis of your degree or previous job experience.

The employment in Belgium should also be **temporary**, which has nothing to do with the duration of the Belgian employment (which can even be an **indefinite term contract**), but is demonstrated by the fact that the expat must maintain his **centre of personal and economic interests outside Belgium**, and therefore qualify as a **non-resident taxpayer**. If this condition is no longer met, the tax office can at any point in time decide to **revoke** your expat status.

TAXPATRIA® can check if you are **eligible to apply** for the expat status and assist with **filing your application** with the Belgian tax authorities.