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Can I claim tax-free 'per diems' for business travel ?

If you are an employee who is often 'on the road' for work, you could be eligible to receive a **daily allowance** or so-called '**per diem**' from your employer. This allowance is essentially a reimbursement of meal costs, but can also cover additional expenses such as refreshments, parking, toilet, etc. It is a **substitute** for using an **actual expense reimbursement method**. Instead of your employer paying you back the exact amount you spent on each trip, he just pays you a **fixed per diem rate**.

In principle, a per diem is a **tax-free reimbursement** for you, while it remains a **100% tax-deductible expense** for the employer. You must, however, always be able to **justify the amount** of per diems claimed, for example, by keeping track of your number of business trips, when exactly you travelled, to where and for how long.

There are some **strict conditions** for this allowance in order to be **tax-free**: (i) the maximum allowance is **€ 20.39 per day** (updated on 1.12.2023); (ii) you should be away from the office for **at least six hours**; (iii) only a **maximum of 16 per diems** can be granted per month; (iv) and there is a maximum of **40 trips to the same location** per year.

If you are away from the office **for 40 days or more** in one calendar year, for instance to visit the same client or customer, this location will be considered as a **fixed place of employment**. In that case, you may **not** claim a tax-free per diem for the days you spent **at this same location**.

If your domestic business trip also includes an **overnight stay at a hotel**, you are entitled to an additional allowance of **€ 152.99 per night** (updated on 1.12.2023). For **business trips abroad** there is a similar per-diem system in place, but the **amounts are country-specific** and also depend on the duration of your stay abroad.

If you are 'on the road' in Belgium **almost daily**, you can apply for a **fixed monthly allowance** instead, for which you are **not required** to demonstrate that you have been away for at least 6 hours. The total allowance may not exceed **€ 326.24 per month** (or € 20.39 × 16 days).

The **daily allowance** should not be confused with **meal vouchers**. The monthly meal voucher is a tax-free benefit in kind the employee receives to increase his purchasing power. The **per diem**, on the other hand, is an allowance to reimburse work-related expenses to the employee.

An **important consideration** is that not only employees, but **also (self-employed) company directors** can receive **tax-free per diems** from their own (management) company under the same conditions. If you forgot to claim these during the year, it is always **possible to request this retroactively** before your company's annual accounts are finalized.

TAXPATRIA® can check if you meet the **per diem requirements** as a company owner and assist you with the relevant **formalities**.