



Is an MBA or LL.M. tax-deductible in Belgium ?

If you are considering acquiring a *Master of Business Administration* (MBA) or taking an *LL.M.* programme, in Belgium or abroad, in order to further develop your professional career, it is often important to know if the tuition fees and other related expenses **are tax-deductible**. The cost of such a degree can vary, but the average tuition would **easily run into the tens of thousands of euros**, especially if you attend one of the top business schools.

While in some countries you can **write off student loans on your taxes**, in principle this is not possible in Belgium. There is only the **general rule** of Article 49 of the Belgian Income Tax Code of 1992, that sets the conditions for an expense to qualify as a tax-deductible business expense.

For this, **several conditions** must be met: (1) the expense must necessarily relate to the **exercise of a professional activity**; (2) it must have been made or borne **during the taxable period**; (3) it must have been made or done **in order to acquire or retain taxable income**; (4) the amount **must be justified** by providing supporting documents.

If you follow an MBA course or LL.M. programme and you do this **after you have already started working** (after only a few months or even later on in your career), and it can be demonstrated that this is directly related to the **further development of your career**, the cost would normally meet the conditions of Article 49 BITC92. In principle this would not be the case if you did it **right after graduating**, in which case you have **not yet earned any professional income**.

In this context, it is **irrelevant** whether your employer actually requires you to follow an MBA or LL.M. or whether you do this **on your own initiative**. Nor is it relevant whether you **combine** your studies with your professional career or instead **quit your job** and fully focus on your studies. In either case, the total cost **can be considered an expense** if the above conditions are met.

The expenses qualifying as tax-deductible would **not be limited to the tuition fees alone** but **could also include** costs for study material (e.g. books and printing), laptop, company and intercampus visits, travel and accommodation costs. **Direct study costs** would include additional courses, compulsory literature, and study room expenses. **Travel and transport costs** can be deducted for trips between your place of residence and the training location (i.e. by car, bike, public transport, etc.).

As the **total cost will often be considerable**, instead of deducting the full amount in the year you paid it, you could **spread your tax deduction out over time** and deduct it over several tax years ('depreciation'). The argument being that you benefit from these studies **for more than one year**, so consequently you would deduct the cost over several years.

TAXPATRIA® can advise you on **claiming your tax deductions correctly** and help you with your **personal tax filing**.