



## Corporate tax alert

### Belgium

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## Notional Interest Deduction: rate for tax year 2018

As was previously announced, since tax year 2014, the Notional Interest Deduction (NID) rate's determination is based on the average reference-indices J (10-year linear bonds) of the third quarter in the penultimate year preceding the tax year. The maximum rate is 3% (3.5% for SME's) and a maximum variation of 1% is allowed from one tax year to another.

The average for the third quarter of 2016 amounts to 0.237%. Since this average does not deviate by more than 1% from last year's NID rate (1.131%), the NID rate for tax year 2018 will in principle amount to 0.237% (0.737% for SMEs).

It should be kept in mind that, given the Finance Minister's plans for a corporate income tax reform, which includes a proposed abolition of the NID regime (see [Corporate tax alert of 9 September 2016](#)), it is currently uncertain whether the NID regime will remain in its current structure next year.

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## Contacts

If you have any questions concerning the items in this alert, please contact your usual tax consultant at our Deloitte office in Belgium.

For general inquiries, please contact:  
[bedeloittetax@deloitte.com](mailto:bedeloittetax@deloitte.com), + 32 2 600 60 00

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