



Global Employer Services Individual tax

More detailed reporting of ‘rep allowances’ required as from income year 2022

As from 1 January 2022, the scope of reporting of “costs proper to the employer” (broadly professional costs incurred by employees reimbursed by the employer) under Belgian income tax legislation is extended.

Currently, costs proper to the employer reimbursed on a lump sum basis must be reported on the annual salary forms, either stating that reimbursement is based on “serious” standards (without inclusion of the amount paid) or, – if not based on “serious” standards, stating the annual amount paid. The legal basis for the extension of the reporting obligation is article 27 of the Law of 27 June 2021 containing miscellaneous tax measures ([Dutch](#) | [French](#)), which modified article 27, §2 of the Belgian income tax code.

The extended reporting obligation enters into force as from income year 2022 and will require employers to report the amount of all costs proper to the employer on Forms 281.10 (employees) or 281.20 (company directors), as appropriate, that are prepared at the start of 2023. This means that the actual amounts reimbursed via a lump sum reimbursement of costs proper to the employer, based on serious standards as well as those reimbursed based on expense receipts and supporting documentation will need to be included on the salary forms.

The current and future requirements may be summarised as follows:

Method of reimbursement of costs proper to the employer	Reporting on a salary form until 31 December 2021	Reporting on a salary form as from 1 January 2022
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Lump sum basis, based on serious standards	Response “Yes, serious standards” but no amount reported	Annual amount reimbursed must be reported
Lump sum basis, not based on serious standards	Response “Yes” and report amount paid	Annual amount reimbursed must be reported
Based on expense receipts and supporting documentation	Response “Yes, based on supporting documentation” but no amount to be reported	Annual amount reimbursed must be reported

The tax deductibility at the employer level will be subject to compliance with this extended reporting obligation. In addition, employers who do not complete the salary forms correctly face administrative penalties. Please take this new rules into account as this may result in additional administrative follow-up of the cost reimbursements.

Contacts

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

- Sofie Van Breedam, svanbreedam@deloitte.com, +32 2 600 67 93
- Aurélie Michiels, amichiels@deloitte.com, +32 600 65 36
- Kim Van Eersel, kvaneersel@deloitte.com, + 32 3 800 88 87

For general inquiries, please contact:
bedeloittetax@deloitte.com, + 32 2 600 60 00

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