



Global Employer Services Income Tax | Social Security

Overview of recent and upcoming tax developments affecting employers

This tax alert provides an overview of various legislative updates introduced during the Christmas 2021 holiday period and early in 2022 which may be of interest to employers.

Program law of 27 December 2021

The program law containing various tax measures was published on 31 December 2021 ([Dutch](#) | [French](#)). The most significant measure is the new tax regime for “inbound taxpayers and inbound researchers,” replacing the administrative circular on the “special tax status for foreign executives in Belgium.” Please see our [tax alert](#) of 23 December 2021 and [dedicated webpage](#) for further information.

Other tax measures in the program law include:

- A reform of tax benefits for sportspersons and sports clubs;
- An increase in the childcare tax reduction;
- An increase in the maximum number of overtime hours in the construction sector which can benefit from the wage withholding tax incentive for overtime; and
- An extension of the validity of meal and eco-vouchers.

Law of 12 December 2021 formalising the interprofessional agreement

The law formalising the interprofessional agreement (2021-2022) was published on 31 December 2021 ([Dutch](#) | [French](#)). The most relevant measures are:

- An increase in the amount of voluntary overtime hours from 100 to 220 for every sector for overtime hours worked between 1 January

2021 and 31 December 2021 and between 1 January 2022 and 31 December 2022;

- A tax and social security exemption for remuneration related to 120 voluntary overtime hours worked in the periods 1 July 2021 to 31 December 2021 and the income year 2022;
- An increase in the maximum number of overtime hours for which the wage withholding tax incentive for employers can be applied from 130 hours to 180 hours during the periods (i) 1 July 2021 to 31 December 2021, (ii) income year 2022, and (iii) 1 January 2023 to 30 June 2023; and
- An extension of the innovation premium regime to 2023.

Royal Decree of 19 December 2021 relating to the valuation of the benefit in kind for heating and electricity

The decree was published on 27 December 2021 ([Dutch](#) | [French](#)) and applies as from 1 January 2022. In accordance with the decree:

- The lump sum valuation of the benefit in kind for heating and electricity provided by an employer only applies where the accommodation is also provided to the employee or company director by the employer; and
- Where the accommodation is not provided by the employer, the actual value of the benefit obtained is taxable, i.e., the cost of heating and electricity used for private purposes.

There are no changes in respect of social security contributions, which have always been calculated on the actual value of the benefit.

Circular letter of 21 January 2022 concerning the transitory provisions for the former expatriate regime

Following the implementation of the new tax regime for inbound executives and researchers, the Belgian tax authorities on 21 January 2022 issued a circular letter ([Dutch](#) | [French](#)) concerning the repeal of the previous special tax regime for foreign executives and the application of the transitory regime.

The circular letter confirms the conditions under which foreign executives may continue to benefit from the previous regime until 31 December 2023. Those who apply for the new regime by the 31 July 2022 deadline and whose application is accepted will not be subject to the transitory provisions.

A second circular letter with additional guidance on the new regime and opt-in procedures is expected shortly.

Law of 21 January 2022 containing miscellaneous tax provisions

The law on miscellaneous tax provisions was published on 28 January 2022 ([Dutch](#) | [French](#)) and contains various new tax measures including:

- **Replacement income of coworking spouse:** Any form of compensation intended to fully or partially offset a temporary loss of wages of coworking spouses represents taxable income. This is explicitly embedded in the Income Tax Code (ITC) to remove any uncertainty;
- **Exemption with reserve of progression:** The reserve of progression no longer applies to foreign income that, if it were not exempt, would have been taxed at a flat rate in Belgium; and
- **Net income from immovable property:** The revaluation coefficient and associated indexation are enshrined in the ITC.

Pre-draft bill on partial exemptions of wage withholding tax

As reported by the media, an initiative is ongoing at government level to strengthen the legislative framework for payroll incentives (such as the wage tax incentive for night and shift work). Although it is expected that the general

principles of the various payroll incentive measures will be maintained, it seems likely that the eligibility criteria to apply the incentives will be tightened to eliminate the risk of misuse and help to meet budgetary targets.

An overview of the above measures is available on our [Tax Reforms Hub webpage](#).

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:

- Frédéricq Jacquet, frjacquet@deloitte.com, + 32 2 600 65 29
- Joke De Bruycker, jdebruycker@deloitte.com, +32 2 600 69 03

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

Be sure to visit us at our website: [Deloitte Global Employer Services](#)

Stay tuned with the latest developments:

[Tax News and Insights](#) | [Deloitte Academy](#) | [Deloitte Belgium Tax](#)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

Deloitte provides industry leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175 plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s more than 345,000 people worldwide make an impact that matters at www.deloitte.com

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this communication, rendering professional advice or services. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2022 Deloitte Belgium

[Subscribe](#) | [Unsubscribe](#)