



## **Global Employer Services** Immigration & social security

### **Key topics for 2017**

With the new year underway, immigration and social security will see several developments in Belgium (and the EU). What follows is a high level overview of some of the major changes and attention points for 2017.

#### **Thresholds work permits**

As of 1 January 2017, work permits for foreign nationals will be issued for:

- Highly qualified employees if their annual gross salary exceeds EUR 40,124;
- Executive employees if their annual gross salary exceeds EUR 66,942.

#### **Merger RSZ/ONSS and DIBISS/ORPSS**

As of 1 January 2017, the merger between the Belgian social security administration for employees (RSZ/ONSS) and the Office for Overseas Social Security (DIBISS/ORPSS) is finalised. RSZ/ONSS has mainly taken over the collection of DIBISS contributions and will need to apply DIBISS legislation. The DIBISS/ORPSS name however, disappears and will going forward simply be known and indicated as OSS (Overseas Social Security Scheme).

In the week starting 9 January 2017, Deloitte has been informed that the interest rate used for the capitalisation of OSS pensions will be reduced (from 3.75% to 2%) and that

unisex calculation methods will be applied. Consequently, higher contributions will need to be paid as of February 2017 in order to guarantee a similar pension to what is applicable today based on the current contributions. Hence, from 1 February 2017, the monthly minimum contributions for the general OSS scheme are set at EUR 312 and the maximum amount at EUR 1,897.25. Employers paying monthly contributions exceeding the new minimum monthly contribution amount of EUR 312 should explicitly inform OSS if they want to increase their monthly contribution.

## Reduction of contribution rates for self-employed persons

As of 2016, one of the tax shift measures provided for a gradual decrease of contribution rates for self-employed persons over the three coming years:

- Until last year, an established self-employed person paid a contribution rate equal to 21.5% of professional income up to the contribution threshold of EUR 56,182.45.
- In 2017, the contribution rate for professional income amounting up to EUR 56,182.45 will again decrease by 0.5% to 21%, to then be finally set at 20.5% in 2018. The remaining contribution rates for the highest income bracket will not change. Moreover, starting self-employed persons will contribute less during the first three years of their activity. The [9 February 2016 Alert](#) provides more details in this respect.

## Proposal to revise EU social security coordination rules

In December 2016, the European Commission launched a proposal to adapt several chapters of EU-Regulation 883/2004. This Regulation includes the rules indicating the applicable social security legislation for cross-border employment situations and provides for social security benefits coordination to prevent mobile workers' loss of rights. The Commission proposal mainly provides for changes regarding the procedure for issuance and contestation of the A1 forms as well as the coordination rules for unemployment benefits. Also, the introduction of a separate chapter regarding coordination of 'long-term care benefits' is proposed (social security benefits related to assistance with a person's daily activities in case of old-age, illness and disability). More information can be found in a [19 December 2016 newsflash](#) published by the law firm Laga.

As the process from Commission proposal to effective EU legislation is quite long, these changes are not expected to enter into force in the near future. Updates will however be provided in due course.

## Implementation of EU Posted Workers Enforcement Directive (PW Enforcement Directive)

### **Immigration impact**

In the course of 2016, most EU Member States have introduced specific rules and measures into their national legislation regarding the cross-border posting of employees (including Belgium). These legislative initiatives follow the PW Enforcement Directive's implementation into national legislation and mainly relate to the introduction or improvement of control and monitoring procedures with respect to posted workers.

A control measure that was implemented by several countries relates to the introduction of a notification obligation for assignments into the host country, whereby the host country administration needs to be informed (often in advance) of certain assignment details (e.g. the existing Belgian Limosa requirement). Where such obligation also applies for workers posted from non-EU countries, this may actually constitute a new immigration formality to be complied with. Companies are encouraged to pay close attention to the impact on (new) immigration files.

More information on this topic can be found in the [12 December 2016 Alert](#).

### **Belgian implementation**

The Law of 11 December 2016 concretely implements the PW Enforcement Directive into Belgian legislation. The new law's main new measures regarding employee posting are as follows:

- Introduction of two non-exhaustive lists of criteria allowing social inspections or labour courts to determine whether an employee genuinely qualifies as a posted employee on the one hand and whether a foreign employer has sufficient substantial home country activity on the other;
- Obligation for foreign employers to provide, upon request, specific information/social documents (including translation to Dutch, French, German or English) to social inspection, such as a copy of the (foreign) employment contract, overview of working hours, documents regarding the conditions of posting (e.g. salary during secondment, duration of secondment) and proof of salary payments.
- Obligation for foreign employers to appoint a designated contact person with whom the competent Belgian authorities can liaise in case of questions and requests to provide the documents/information as mentioned above. The identification of the contact person will be included as an additional information to be provided in the Limosa Declaration.
- Introduction of an additional specific system of joint and separate liability with regard to salary payment in the construction sector.
- Provision stating that a posted employee (from Belgium to another EEA member state or Switzerland) should not be negatively impacted after initiating legal or administrative proceedings against his/her employer in view of safeguarding his/her rights as covered by the PW Directive.
- Introduction of specific sanctions against violations of the above introduced rules and measures allowing the Belgian administration to effectively impose administrative

sanctions and to collect administrative penalties from foreign employers.

Deloitte Belgium's immigration and social security services team is readily available to provide more detailed information.

## Contacts

If you have any questions concerning the items in this alert, please contact :

- Mathias Lommers, [mlommers@deloitte.com](mailto:mlommers@deloitte.com), + 32 2 600 65 44
- Mieke Douchy, [adouchy@deloitte.com](mailto:adouchy@deloitte.com), + 32 600 67 79

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

Be sure to visit us at our website:  
<http://www.deloitte.com/be/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](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

Deloitte provides audit, tax and legal, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 225,000 professionals, all committed to becoming the standard of excellence.

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.

© 2017. For information, contact Deloitte Belgium.

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