



Global Employer Services

Individual tax

Tax on securities accounts: reporting requirements

With the approaching payment deadline for Belgian professional intermediaries concerning the first reference period, many Belgian banks are currently reaching out to their securities account holders to address the necessary formalities. A Royal Decree with practical information has been published on 9 November 2018 ([Dutch](#) | [French](#)).

Formalities

Withholding of tax on securities accounts

A withholding obligation for Belgian professional intermediaries applies in two cases:

- The taxpayer's qualifying securities exceed the EUR 500,000 threshold (on accounts held with the Belgian intermediary)
- The taxpayer has "opted in" for a voluntary tax withholding by the intermediary

The **voluntary "opt in"** can be beneficial for taxpayers if they have several securities accounts with several Belgian professional intermediaries, each of which does not individually surpass the EUR 500,000 threshold, but collectively do so through their aggregated sum.

A taxpayer could "opt in" and ask each Belgian intermediary to remit the taxes due to the Belgian tax authorities. The

withholding of tax by a professional intermediary is considered as final.

For the average balance of foreign securities accounts, taxpayers will themselves still have to pay the taxes to the tax authorities (except if there is a Belgian representative).

If taxpayers know with certainty that they do not meet the threshold, they can **opt out**.

This "opt in/opt out" option will be offered by intermediaries and taxpayers must make a decision before the last day of the second month following the end of the reference period (30 November in most cases).

In all other cases (for instance the Belgian resident only has securities accounts with foreign professional intermediaries), securities account holders will be required to report the accounts and pay the taxes themselves, unless these obligations would be fulfilled by foreign professionals (with Belgian representatives).

Due date

The due date differs depending on who is handling the formalities:

- If an intermediary fulfills the requirements, the reporting and withholding deadline is 20 December of the year in which the reference period ends
- If a taxpayer complies with the formalities, the reporting deadline depends on the due date to file the personal income tax return; the payment must be done by no later than 31 August of the year following the year in which the reference period ends

Reporting obligation

The aforementioned Royal Decree elaborates on the specifics of this **new specific tax form**. However, a model has not yet been introduced. In principle, taxpayers will have to file the tax return electronically through the MyMinfin portal, unless:

- They do not have the required computer equipment at their disposal
- They benefit from the simplified personal income tax return regime

In addition to this newly introduced tax return, a reporting obligation has been introduced in the resident and non-resident **personal income tax return**. If a taxpayer is holder of *multiple* qualifying securities accounts, he/she will have to report this in the personal income tax return as well. For residents, it is not important where the accounts are held; non-residents are only obliged to report securities accounts held with intermediaries in Belgium.

Refunds

If too much tax has been paid or withheld, a refund can be requested from the Belgian tax authorities by no later than 31 December of the year following the year in which the reference

period ends. For the first reference period, this will be 31 December 2019 at the latest.

Tax exemption for securities accounts?

Double Tax Treaty

The tax on securities accounts qualifies as a wealth tax. Consequently, Belgian non-residents could invoke the double tax treaty concluded between their residency state and Belgium, provided the scope of the treaty also includes the wealth tax and allocates the power of taxation to the resident state (which is often the case – but still to be verified on a case by case basis).

Constitutional court

The law implementing the tax on securities accounts is currently being contested before the Belgian Constitutional Court. This however, does not mean that the obligations do not apply. The law entered into effect and as long as there is no annulment judgment by the Constitutional Court, the law remains applicable. If in the future the law is annulled, there could be grounds to request a refund of taxes paid.

More information

The tax alerts of [16 February 2018](#) and [12 March 2018](#) provide previous coverage on this topic.

Contacts

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