



Individual tax alert Belgium

Recent developments and upcoming changes within the Belgian social security administration for employees

A wealth of tax information
within your fingers' reach
Discover Deloitte's apps



Belgium app



Global tax app

With the Belgian social security authorities operating with increased focus on international employment situations, significant developments and changes were noted over the last year. The most relevant are outlined in this alert.

Seconded in view of replacing another seconded person

One of the standard secondment conditions set out in both the old Regulation 1408/71 and the new Regulation 883/2004 states that a person cannot be seconded to replace another person (in the same host country) who has completed his/her secondment term. In such a case, an A1 form will not be issued and the host country's social security will apply. For example, a Belgian expat cannot be assigned to Germany in order to replace another expat who was assigned to Germany for the same job.

This condition logically results from the fact that a secondment should always have a temporary character and is not meant to assign permanent tasks in a specific host country with a succession of seconded employees.

In practice, compliance with this condition has not been actively verified by the Belgian social security authorities for several years. However, given the authorities' increased focus on international employment, both the Belgian social security administration as well as foreign social security authorities are again seen to be verifying whether this condition is met. In this respect, Deloitte Belgium has been informally notified that the Belgian social security administration will add an explicit question on this matter in their application forms in the coming months.

It should be noted that the Belgian social security administration currently still follows a more flexible interpretation which allows the replacement of a seconded person by another secondee, as long as the duration of both secondments is no longer than 5 years. This however, is still evaluated on a case by case basis.

B2B assignments

Another area on which the social security administration is increasing its focus is 'back to back' (B2B) assignments. A B2B assignment occurs when an employee is taking up another assignment immediately following the end of his/her previous one, without returning to his/her home country in between.

For expats on subsequent and uninterrupted B2B assignments during a longer (undefined) period, compliance with the following assignment conditions is thoroughly investigated:

- the continued link with the home country employer - is this link still genuinely existing after several B2B assignments?
- the limited duration of the assignment structure is under overall consideration - not limited to the pending assignment but over the entire uninterrupted B2B assignment period.

If the RSZ/ONSS considers that there is no link with the home country anymore, they can refuse to issue an A1/COC. Consequently, the person concerned will no longer be able to remain subject to his/her home country social security legislation and hence the host country's social security contributions will become due.

Travel pattern

Social inspectors are seen to be focusing increasingly on seconded employees' travel patterns. Social inspectors screening secondment files tend to check, on a more standard basis, whether the employment situation effectively concerns an assignment or qualifies as simultaneous employment. In the latter case, depending on the working time division across different member states, the applicable social security legislation might change. Indeed, from a social security point of view, the secondment could be considered as a simultaneous employment situation whereby the social security scheme of the home country employer may no longer apply in certain situations. It is therefore important to keep track of and have a good view on the travel pattern of secondees.

Deloitte Belgium's immigration and social security team (IMSS) will provide updates and is readily available to provide more detailed information.

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:

- Erwin Vandervelde, evandervelde@deloitte.com, + 32 3 600 65 75
- Matthias Lommers, mlommers@deloitte.com, + 32 3 600 71 44
- Mieke Douchy, adouchy@deloitte.com, + 32 2 600 67 79
- Ajshe Miftari, amiftari@deloitte.com, + 32 2 600 62 88

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

Be sure to visit us at our website: <http://www.deloitte.com/be/tax>



Deloitte Belgium
Berkenlaan 8A, 8B, 8C
1831 Diegem
Belgium

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 audit, tax, 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 and territories, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte's more than 200,000 professionals are 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.

Click [here](#) to (un)subscribe or modify your subscription.

© 2015. For information, contact Deloitte Belgium.