

Withholding tax on investment income in Belgium

Dividends		Rate
1. General withholding tax rate (incl. liquidation bonuses and purchase of own shares)		30%
2. VVPRbis: dividends from shares resulting from capital contributions to an SME from 1 July 2013		
	VVPR dividends paid from the second financial year after the financial year of the cash contribution to an SME	20%
	VVPR dividends paid from the third financial year after the financial year of the cash contribution to an SME	15%
3. Dividends from BEVAKs (closed-end investment companies) or GGVs (regulated property companies) that invest in 'dwellings adapted for residential care or healthcare'.		15%
4. Dividend distributions under the so-called lump-sum scheme (art. 537 ITC92): one-off possibility to convert taxed reserves into tax-paid capital by distribution at 10% withholding tax followed by inclusion in capital. This had to be done during the last taxable period closing before 1 October 2014:		
	Distribution of tied-up reserves in 2024 (SME + LE)	Exemption
5. Dividend distribution from current liquidation reserve (Article 184 quater or 541 CIR92): this scheme only applies to SMEs:		
	reserve established from assessment year 2018 and paid out within 5 years;	20%
	reserves distributed after five years;	5%
	reserves distributed at the time of liquidation.	Exemption
6. Dividends granted to a Belgian company or to a foreign company established in another European Member State or in a State with which Belgium has concluded a double taxation treaty (parent company)(*), provided that this agreement or any other treaty provides for the exchange of information necessary to give effect to the provision of the national laws of the Contracting States. Such acquiring company owns or must undertake to own for at least one year more than 10% of the shares or shares with an acquisition value of at least EUR 2.5 Mio in full ownership in the subsidiary(**). Attention: even in case of exemption, formalities withholding tax must be fulfilled.		Exemption

(*) Parent company/subsidiary:

- a) With a legal form as listed in the annex to the Parent-Subsidiary Directive;
- b) Which, according to the tax laws of the State in which it is resident and the double taxation conventions concluded by that State with third States, shall be deemed to be resident for tax purposes in that State;
- c) Which is subject to corporate income tax or a tax similar to corporate income tax without enjoying a tax system that differs from the common law.

(**) Exemption or reduction of withholding tax may also result from the provisions of the double taxation treaty concluded by Belgium with the beneficiary's country of residence. This is particularly important if the European Parent-Subsidiary Directive does not apply or if the exemption conditions in the Belgian domestic law provisions are not met.

Although this overview was compiled with the greatest care, only the generally valid principles have been included here. Individual situations must therefore be assessed on a case-by-case basis. The information contained in this document is for information purposes only and does not constitute legal advice. The completeness and accuracy of the information used cannot be guaranteed. BDO is not liable for loss or damage of any kind for actions based on the information reproduced in this document.

This document is subject to [the general terms and conditions of the website](#).

Withholding tax on investment income in Belgium

Interest		Rate
1. Interest from debt claims, loans, fixed-income securities, cash deposits, ...		30%
2. Ordinary Belgian or foreign savings deposits:		
	first tranche of EUR 1,020 (AY 2025) per year of income from regulated savings deposits granted to natural persons.	Exemption
	income from regulated savings deposits (for natural persons after the EUR 1,020 threshold has been exceeded).	15%
3. Income from State notes (one-year term) subscribed in the period 24 August 2023 to 1 September 2023.		15%
4. Interest paid to affiliated EU companies, provided that the beneficiary company holds more than 25% of the shares of the distributing company for at least one year. (*) (**)		Exemption
5. Income from Belgian bonds subject to a registered subscription with the issuer granted to non-resident savers.		Exemption

Other movable income and capital		Rate
1. Income from rental or leasing of movable property.		30%
2. Income from the use and concession of movable property (e.g. royalties).		30%
3. Income included in annuities or temporary annuities.		30%
4. Income obtained from the assignment or concession of copyright (AY 2025). If under the new regime copyrights can still be applied, and you remain under the following restrictions:		15%
a. Amount (to be indexed) of EUR 37,500 (i.e., EUR 73,070 for AY 2025)		15%
b. Copyrights do not exceed 50%(AY 2024)/40%(AY 2025)/30%(AY 2026) of the total remunerations received (including the fee for services rendered).		
c. The recipient received royalties in the four previous taxable periods whose average amount did not exceed (the yet-to-be-indexed amount of) EUR 37,500.		
Income exceeding previous thresholds.		30% (***)
5. Subleasing of immovable property, right to put up advertisements, leasing of hunting, fishing and bird-trapping rights, allotting of securities and loans		30%
6. Compensation for missing coupon.		Rate of underlying movable or miscellaneous income
7. Royalties paid to affiliated EU companies, provided that the beneficiary company owns more than 25% of the shares of the issuing company for at least one year. (*) (**)		Exemption

(*) Parent company/subsidiary:

- Having a legal form as listed in the Annex to the Parent-Subsidiary Directive;
- Which, according to the tax laws of the State in which it is established and to the Double Taxation Treaties which that State has concluded with third States, is considered to be resident for tax purposes in that State;
- Who is subject to corporate income tax or to a similar tax without benefiting from a tax regime derogating from common law.

(**) Exemption from or reduction in withholding tax may also result from the provisions of the Double Taxation Treaty that Belgium has concluded with the country concerned. This is especially important when the European Parent-Subsidiary Directive is not applied or when the exemption conditions in Belgian domestic law provisions are not met.

(***) 30% withholding tax, assessment at progressive rates if professional income, or 15% for moveable income

Although this overview was compiled with the greatest care, only the generally valid principles have been included here. Individual situations must therefore be assessed on a case-by-case basis. The information contained in this document is for information purposes only and does not constitute legal advice. The completeness and accuracy of the information used cannot be guaranteed. BDO is not liable for loss or damage of any kind for actions based on the information reproduced in this document.

This document is subject to [the general terms and conditions of the website](#).