

## Daily allowances for foreign professional trips

When an employee has to go abroad for a short mission, you can as the employer grant him a lump sum allowance. You can choose for the general lump sum of 37,18 per day (irrespective of the destination of the trip) or for the amount figuring on the country list of the Ministry of Finance (amount depending on the country). This amount is fully deductible for the employer, but is not considered as taxable income for the employee.

### Cost allowance as for civil servants

Private sector employees performing a mission abroad, will, next to transport and hotel expenditure, also make other 'small costs', such as meals, taxi fares, tips. These are all costs proper to the employer, since they are made in the context of the professional activity. As an employer you can grant a lump sum allowance. Traveling and lodging expenses do not fall within the scope of the lump sum allowance.

This system is based on the cost allowances granted to the civil servants of the Ministry of Foreign Affairs when they perform a short official mission abroad. The government drafted a country list whereby the lump sum allowance depends on the country of the professional trip. The amounts depend on the local cost of living, the daily allowance for Bolivia amounts to 43€, while for Japan it is 105€.

### Opting for the general lump sum or the country list amount

The employer can choose whether he pays the general daily lump sum of 37,18€ or the amount from the country list.

A short overview of the most important Belgian trade partners (a full list with all countries can be found in the Belgian Official Gazette of 6 May 2013) with the amounts applicable as from 1 April 2013:

- China: 83€
- Germany: 93€
- France: 95€
- Luxembourg: 92€
- The Netherlands: 93€
- The United States: 105€
- The United Kingdom: 101€

### For a professional trip of maximum 30 days

It should concern a trip by an employee or director commissioned by the company. If the trip lasts for less than 10 hours or more than 30 days, the lump sum cannot be applied. In such case the actual costs made (with proof) should be reimbursed.

This scheme applies for employees normally performing their job in Belgium, but occasionally traveling abroad (this can be a one-off trip, or this can be regularly).

Do not fall within the scope of this scheme:

- employees continually working abroad but returning to Belgium every 30 days;
- employees for which traveling abroad is part of their normal professional activity;
- employees working one or two days a week abroad.

### **Deductible for the employer, not taxable for the employee**

The cost allowance is a reimbursement of costs proper to the employer, meaning that these costs should normally be borne by the employer, even when they are advanced by the employee.

The employee is therefore not taxed on the daily allowance. The employer can deduct the full cost as professional expenditure.

#### **COMPTAFID-Benelux NV SA Brussels**

Bld. Edmond Machtensl. 180/100  
B-1080 Brussels  
Tel: +32 (0)2 410 75 75  
[www.comptafid.be](http://www.comptafid.be)

#### **COMPTAFID-Benelux NV SA Antwerp**

Schijnparklaan 45  
B-2900 Antwerp (Schoten)  
Tel: +32 (0)3 658 89 02  
[www.comptafid.be](http://www.comptafid.be)

#### **COMPTAFID (Schweiz) AG Zürich**

Seefeldstrasse 19 – Postfach  
CH-8032 Zürich  
Tel.: +41 44 250 2929  
[www.comptafid.ch](http://www.comptafid.ch)