

Higher administrative fines for income taxes

Anyone committing an infringement against the provisions of the income tax code risks being fined. The officer which is empowered by the regional director can impose fines from 50€ up to 1.250€ for each infringement against the income tax code or its decrees. As from 30 September 2013 the fines are strengthened. The following fines now apply to these infringements.

Administrative fines for infringements on the income tax code

Herewith you will find the administrative fines which can be imposed if you do not comply with the provisions of the income tax code. For non- or late filing of professional or movable withholding taxes, non-payment, late payment or insufficient payment of the professional or movable withholding taxes, other rates apply which are mentioned under the next title.

Note: it concerns fines which are imposed by the tax authorities themselves.

If a tax payer has committed an infringement, but there is no bad faith or intention to evade the tax, the amount of the fine depends on the number of times the tax payer committed an infringement. New is that you will be fined as from the first infringement (with a fine of 50€), whereas previously the first infringement was left unpunished. In the mean time the tax authorities stated that the application will not be that strict. Who does file his tax return, will still receive a reminder. Upon receipt, you will have two weeks to react. Who does not react, will be fined.

- First infringement: 50€;
- Second infringement: 125€;
- Third infringement: 250€;
- Fourth infringement: 625€;
- Fifth infringement and next: 1.250€.

If the infringement was committed in bad faith or with the intention to evade the tax, the fine amounts always to 1.250€. This already as from the first infringement. Under this infringement falls amongst others the intentionally incomplete or wrong filing of the tax return.

Only in case the infringement is the result of circumstances independent of the tax payer's will, no fine will be imposed. It is however not clear what is meant with 'circumstances independent from the tax payer's will'. Whatever is clear is that the burden of proof lies with the tax payer. In other words he will have to proof that the infringement is the result of circumstances independent of his will.

In order to determine the amount of the fine, it should first be fixed how much infringements the tax payer has committed. The following elements are not taken into consideration:

Infringements other than professional and movable withholding taxes: when no infringement was punished for the last four tax years preceding the tax year for which the new infringement will have to be fined;

Infringements regarding professional and movable withholding taxes other than those listed here below: when no infringement, professional and movable withholding taxes considered separately, has been punished for four consecutive monthly, quarterly or annually maturity dates.

Administrative fines for professional and movable withholding tax

Also for the administrative fines for non-filing or late filing for professional or movable withholding taxes, or for non-payment, late payment or insufficient payment of the professional and movable withholding tax, a new fines scale is implemented.

The same goes here that no fine is imposed in case the infringement is the result of circumstances independent from the tax payer's will.

Fines for non-filing or late filing:

- First infringement: 50€;
- Second to fourth infringement: 125€;
- Fifth to seventh infringement: 250€;
- Eighth to tenth infringement: 625€;
- Eleventh and next infringement: 1.250€.

For the first non-payment or late payment of the professional or movable withholding tax no fine is imposed. The following infringements are penalized with 10% of the amount not paid, the late paid amount or the balance of the non-paid or late paid amount with a minimum of 50€ and a maximum of 1.250€ and rounded down to the lower multiple of 10€.

Second or next infringement

In order to determine the amount of the fines, a second or next infringement is considered when, at the time a new infringement is committed, the offender was informed of the fine penalizing the previous infringement.

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