

Fiscal co-parenthood extended to adult children as from 2017

Under fiscal co-parenthood the ex-partners share the tax advantage they obtain since they have common dependent children. The parents share the parenthood and the housing of the children. Until now only minor children qualified for this system. As from 2017 it will also be possible for adult children.

Shared housing and parenthood

Under fiscal co-parenthood the ex-partners can divide the tax free lump sum for their common children between each other. Each one will receive half of the tax free lump sum increase.

For tax year 2017 (income 2016) this equates to:

- for one child: 760,00 EUR each (1/2 of 1.520,00 EUR)
- for two children: 1.950,00 EUR each (1/2 of 3.900 EUR)
- for three children: 4.370,00 EUR each (1/2 of 8.740,00 EUR)
- for four children: 7.070,00 each (1/2 of 14.140 EUR)

There are two essential conditions: (1) the housing of the children should be equally divided between both parents and (2) ex-partners should commonly have the parenthood over the children.

The equal division of the housing should be shown by an agreement between the parents in which they state that they want to share the housing and the tax free lump sum amongst them (the agreement should be registered or ratified by a judge at the latest 1 January of the tax year) or follow a court decision of at the latest 1 January of the tax year.

Bottleneck for adult children: joint parenthood

According to the Civil Law Code only minor children are subject to parenthood. Since the 'joint parenthood' is a crucial condition to apply this scheme and adult children are not subject to parenthood, fiscal co-parenthood with adult children is not possible.

The increased tax free lump sum goes automatically to the parent with whom the child is domiciled. The child is after all part of the family of that parent on 1 January of the tax year = condition to be a dependent child.

Modification of the rules

In order to solve this issue, the reference to the 'joint parenthood' is deleted. The tax law now refers to the child support obligation of parents towards their children of article 203 of the Civil Law Code. Based on this obligation both parents should contribute, according to their means, for the housing, livelihood, health, supervision, education and evolution of their children. The Civil Law Code provides that the support obligation doesn't stop when the child reaches majority, but continues beyond majority of the child in case the education is not completed.

As from 2017 also adult children can fall under the fiscal co-parenthood of their parents.

Nothing is changed on the condition of the equal sharing of the housing.

Note: no combination with deduction of support payments

Please note that co-parenthood cannot be combined with the deduction for support payments. In case the ex-partners have chosen for co-parenthood and one of them still pays support fees for the children, these are not deductible. The ex-partners should check what is the most advantageous: splitting the tax free lump sum or deduct child support.

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