

Indexed income tax thresholds for tax year 2016

The indexed amounts for tax year 2016 were published by the Federal Public Service Finance in the Belgian Official Gazette. We give you an overview of the most important amounts. Note that the Michel I government decided not to adapt the maximal amounts for certain tax reductions for the coming years. Moreover, they are frozen to the amounts for tax year 2014.

Below the amounts for tax year 2016, these are your income of the current year. After each amount you will find the indexed amount for tax year 2015 between brackets (these are the amounts you need to apply for your tax return in June).

Tax free amount and family situation

Tax free amount and increased tax free amount

Tax free amount: 7.090,00€ (7.070,00)

Increased tax free amount for persons with a limited income: 7.380,00€ (7.350,00)

Threshold in order to qualify for an increased tax free amount: 26.360,00€ (26.280,00)

Increased tax free amount for a disabled tax payer: 1.510,00€ (1.500,00)

Dependent persons

Increased tax free amount for dependent persons

- one child: 1.510,00€ (1.500,00)
- two children: 3.880,00€ (3.870,00)
- three children: 8.700,00€ (8.670,00)
- four children: 14.060,00€ (14.020)
- more than four children (supplement per child): 5.370,00€ (5.350,00)

Supplementary allowance for children younger than three years (for which no babysitting expenditure is deducted): 560,00€ (same amount 560,00)

For other dependent persons which have reached the age of 65 years: 3.010,00€ (3.000,00) (it should concern ascendants (parents or grand parents) or brother/sister)

For each other dependent person: 1.510,00€ (1.500,00)

Increased tax free amount for singles with dependent children: 1.510,00€ (1.500,00)

Maximum amount own livelihood (dependent child): 3.120,00€ (3.110,00)

Increased amount for a single's child: 4.500,00€ (4.490,00)

Increased amount for a single's disabled child: 5.720,00€ (5.700,00)

Alimony not counting as livelihood: 3.120,00€ (3.110,00)

Student job income not counting as livelihood: 2.600,00€ (2.590,00)

Marital quotient and assisting spouse

Marital quotient: 10.230,00€ (10.200,00)

Maximum income for assisting spouse from own professional activity: 13.290,00€ (13.240,00)

Professional income and movable income

Exempt amount private PC: 840,00€ (same amount 840,00)
Threshold gross taxable income to be able to participate to the 'plan': 32.990,00€ (32.880,00)

Exempt amount of the allowances granted by the employer as reimbursement of travel expenditure from home to work: 380,00€ (same amount 380,00)

Minimum benefit in kind for the private use of a company car: 1.250,00€ (same amount 1.250,00)

Maximum amount of royalties which can be qualified as movable income: 57.270,00€ (57.080,00)

Professional expenditure for liberal professions (independents)

- 28,70% on the first bracket up to 5.730,00€ (5.710,00)
- 10,00% on the second bracket up to 11.380,00€ (11.340,00)
- 5,00% on the third bracket up to 18.940,00€ (18.880,00)
- 3,00% on the fourth bracket above 18.940,00€ (18.880,00)

Professional expenditure for liberal professions (employees)

For employees not only the amounts are indexed. They also obtain as from 2016 a higher lump sum deduction (i.e. the percentage of their deduction increases). For tax year 2015 the same percentages and amounts as above apply to employees:

- 29,35% on the first bracket up to 5.730,00€
- 10,50% on the second bracket up to 11.380,00€
- 8,00% on the third bracket up to 18.940,00€
- 3,00% on the fourth bracket above 18.940,00€

Service vouchers and house staff

Maximum amount for PWA vouchers and service vouchers: 1.400,00€ (same amount, 1.400,00)

House staff salary:

Minimum amount: 3.740,00€ (3.730,00)

Maximum amount giving right to tax deduction: 7.530,00€ (no longer indexed as from tax year 2014, 7.530,00)

Amounts which will not be indexed the next years

The Michel I government has decided not to index the amount of some (mainly) tax deductions until the 2018 tax year. These amounts remain at the same level as for tax year 2014 (income from 2013!). These amounts were initially indexed last year for 2015. This indexation is NOT applied. Amounts are frozen at the level of tax year 2014.

'Living bonus'

Maximum amount of capital redemption and life insurance premiums (together): 2.260,00€
 Increased base amount for the first ten years: 750,00€
 Additional increased amount during the first years in case of three dependent children: 80,00€
 Minimum amount for deductible expenditure: 40,00€

Savings

Maximum amount pension saving: 940,00€
 Exempt income from saving deposits: 1.880,00€
 Maximum amount employer's shares: 750,00€

Investment in houses

Maximum amount of the annual tax reduction for passive houses during ten years (900,00€), low energy houses (450,00€) and zero energy houses (1.810,00€)