

Lump sum for professional expenditure: higher lump sum for employees

If you want to deduct professional expenditure, you can choose to prove your actual professional costs or to deduct the professional expenditure lump sum. This lump sum consist out of a decreasing percentage in function of an increasing income. In 2015 and 2016 these percentages for employees are increased in two phases. Also the amount on which the percentages are applied, are slightly increased. An overview.

Situation for tax year 2015 (income 2014)

Amounts and percentages for tax year 2015:

- 28,70% on the first tranche up to 5.710€;
- 10,00% on the second tranche up to 11.340€;
- 5,00% on the third tranche up to 18.880€;
- 3,00% on the fourth tranche above 18.880€.

The absolute maximum amounts to 3.950€.

Fase 1: amounts and percentages for tax year 2016

For employees not only the amounts are indexed. They obtain a higher lump sum as from tax year 2016 (income 2015) because the deduction percentage increases and the amounts (next to indexation) are slightly increased.

- 29,35% on the first tranche up to 5.760€;
- 10,50% on the second tranche up to 11.380€;
- 8,00% on the third tranche up to 19.390€;
- 3,00% on the fourth tranche above 19.390€.

The absolute maximum amounts to 4.090€.

Fase 2: amounts and percentages for tax year 2017

In 2017 the base amounts and percentages are again increased. The previous third tranche disappears.

- 30,00% on the first tranche up to 5.800€;
- 11,00% on the second tranche up to 19.850€;
- 3,00% on the third tranche above 19.850€.

The absolute maximum amounts to 4.210€.

What do you save: an example

Imagine an employee with an income of 25.000€, on which he wants to apply the professional expenditure lump sum:

For tax year 2015 the lump sum amounts to:

- 28,70% on 5.710€ = 1.638,77€;
- 10,00% on 5.630€ (11.340 - 5.710) = 563,00€;
- 5,00% on 7.540€ (18.880 - 11.340) = 377,00€;
- 3,00% on 6.120€ (25.000 - 18.800) = 183,60€;

Total = 2.762,37€.

For tax year 2016 the lump sum amounts to:

- 29,35% on 5.760€ = 1.690,56€;
- 10,50% on 5.620€ = 590,10€;
- 8,00% on 8.010€ = 640,80€;
- 3,00% on 5.610€ = 168,30€.

Total = 3.089,76€.

An employee will thus have more than 300€ extra professional expenditure deduction.

For tax year 2017 the lump sum amounts to:

- 30,00% on 5.800€ = 1.740,00€;
- 11,00% on 14.050€ = 1.545,50€;
- 3,00% on 5.150€ = 154,50€;

Total = 3.440,00€.

Liberal professions

For liberal professions the 2014 percentages remain applicable. However the amounts are indexed. Below the amounts for tax year 2015 (and between brackets the indexed amounts for 2016):

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