

## Corporate tax reduction and other tax measures from the budget deal

The budget deal which was presented by the government this summer, traditionally contained a number of tax measures. A short overview.

### Corporate tax reform

The most eye-catching measure is the **reduction of the corporate tax rate**. Currently this amounts to 33% (33,99% with crisis tax) but will be reduced in two phases: to 29% in 2018 and to 25% in 2020. Also, the general crisis tax of 3% will be reduced to 2% in 2018 to finally disappear in 2020. As a consequence, the actual tax rate will amount to 29,58% in 2018 and 25% in 2020.

As from 2018, SME's can benefit from a reduced rate of 20% on the first 100.000 EUR of their profit. Additionally, the number of companies which can be considered as an SME will increase: this tax rate will not only apply for companies meeting the criteria from article 215 of the Income Tax Code, also 'small companies' in the sense of the company law qualify for this tax rate.

However, this good news should be somewhat tempered: the reform should be budget **neutral**. This means that the reduction in income due to the lower tax rate will somehow have to be compensated. Some existing deductions will be abolished or reduced. Amongst other the investment reserve will disappear, with a transition period for existing reserves. The notional interest deduction remains.

### Saving

Also, the exemption of the first amount of **interest from saving books** is worked on. The exempt amount is reduced from 1.880 EUR to 940 EUR. As a compensation, an exemption up to 627 EUR for dividends from shares is introduced.

**Pension savings** are also tackled. Tax payers will have the possibility to choose to save maximum 940 EUR with a tax reduction of 30% (as is currently the case) or save more (up to 1.200 EUR) with a lower tax reduction of 25%.

### Securities account

A tax on securities accounts will be introduced. This '**subscription tax**' will amount to 0,15% and is due by who has more than 500.000 EUR on such account.

### Extension tax shelter for starters

The government will remain to encourage investments in risk capital. Therefore, the tax shelter (in fact a tax reduction) for investments in starters is extended for investments in **growth companies**. It concerns investments for which the investor obtains shares.

### Battle against fraud

In the battle against fraud the Cayman tax is reinforced and its efficiency is augmented by a.o. tackling double structures and by applying these rules to associations.

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 (Schooten)  
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)

## Flexijobs

The scope for flexijobs, currently only for catering industry, will be enlarged. Working through flexijobs will from now on also be possible for a.o. newspaper stores, hairdressers or bakeries. The conditions do not change. Flexijobs will be open for who already works for at least 4/5.

Next to this, additional income can be gained tax free (up to 500 EUR per month) for certain jobs in the not for profit sector. This possibility exists for who already works 4/5 or is retired.

### 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)