

## Benefits in kind for pc, tablet and smartphone: new amounts as from 2018

Who receives a pc, laptop, tablet or smartphone for free from its employer, receives a benefit in kind. Of course this is taxable. The benefit in kind is valued as a lump sum amount. These lump sum amounts are modified as from 1 January 2018 in order to bring them more in line with the real value of these devices.

### Adjustment to reality

The current lump sum valuation for benefit in kind for the free personal use of a pc, laptop, tablet, smartphone and internet needed an update. The last years prices for laptops and pcs have dropped, so the quite high lump sum amounts were no longer realistic. These lump sums are now reduced, so they are more in line with the actual value of these devices. Consequently these lump sum amounts will be significantly lower as from 1 January 2018 (the lump sum is reduced from 180 EUR to 72 EUR).

At the same time and for the first time a tax lump sum is implemented for the taxable benefit in kind for a tablet or smartphone. The Social Security Services already used lump sums. Finally the tax authorities now also determined lump sum amounts for the benefits in kind. The benefit in kind is valued at half of the value of a pc or laptop and therefore amounts to 36 EUR.

The employer should quote the taxable amount of the benefit in kind on the individual pay slip 281.10 of the employee or pay slip 281.20 in case the benefit in kind is granted to a director. Additionally the employer should withhold professional withholding tax on the benefit in kind, as it is the case for other salary elements.

### The lump sum amounts

For benefits received as from 1 January 2018:

- Fixed pc or laptop: 72 EUR
- Tablet or smartphone: 36 EUR
- Free internet connection, irrespective whether it is a fixed connection or wireless or the number of devices which can be connected: 60 EUR
- Free mobile or fixed telephone subscription: 48 EUR

The lump sum amount applies per device.

In case a person receives multiple benefits, the lump sum amounts should be added. Who receives a laptop and an internet connection, receives a benefit of 132 EUR.

Currently other amounts apply for Social Security purposes. These will however according to the minister of Finance be aligned with the tax lump sum.