

Tax Cards | 2022

A summary of tax facts of countries
in the EMEA region

Tax Cards | 2022

The AGN EMEA Tax Surveys of:

Index

| | |
|----------------|----|
| Austria | 03 |
| Belgium | 07 |
| Cyprus | 11 |
| Czech Republic | 13 |
| Denmark | 16 |
| France | 26 |
| Germany | 30 |
| Greece | 34 |
| Ireland | 38 |
| Israel | 42 |
| Italy | 46 |
| Liechtenstein | 49 |
| Netherlands | 51 |
| Poland | 61 |
| Portugal | 65 |
| Romania | 69 |
| Slovenia | 72 |
| Spain | 76 |
| Sweden | 84 |
| Switzerland | 86 |
| Turkey | 92 |
| United Kingdom | 95 |

AUSTRIA

2022 TAX CARD (IN EUROS)

1. Basis of taxation

Income is taxed on a yearly basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income, whereas non-residents are taxed on their Austrian sourced income.

The main taxes levied in Austria can be divided into five categories:

- taxes on income (income tax and corporation tax)
- Social security contributions (health insurance, pension insurance, unemployment insurance and accident insurance)
- Sales (Value added) tax
- Income tax on non-residents
- Other Taxes (Capital gains tax, Real estate transfer tax, Vehicle tax, Municipal tax, Excise duty)

2. Corporate tax

Corporation tax is a tax, in principle payable annually, on all profits generated in Austria by companies and other legal entities.

If corporations (AG, GmbH) have their legal seat or place of effective management in Austria, they are subject to unlimited taxation in Austria of their entire (domestic and foreign) income. Non-Austrian residents are subject to limited taxation on certain sources of income in Austria.

In Austria, corporations are independent tax subjects. Therefore a distinction needs to be made between tax ramifications at the level of the company and those at the shareholder level.

- Level of the company: standard corporate income tax (CIT) rate of 25%, regardless of whether profits are retained or distributed.
- Level of the shareholder: withholding tax (WHT) of 25% for corporations and 27,5% for other recipients in case of profit distributions.

A minimum CIT has to be paid from companies in a tax-loss position. The minimum CIT can be credited against future CIT burdens without time limitation.

- Minimum CIT for an AG: 875 euros per quarter of a year
- Minimum CIT for a GmbH founded before 30.06.2013: 437,50 euros per quarter of a year
- Minimum CIT for a GmbH founded after 30.06.2013: 125 euros per quarter of the first five years and 250 euros for the next five years.

3. Withholding tax rate (non-treaty)

| | Resident individual | Non-Resident | |
|-----------|---------------------|--------------|-------------|
| | | Individual | Corporation |
| Dividends | 27,5% | 27,5% | 25% |
| Interest | 0/25/27,5% | 0/25/27,5% | |
| Royalties | | 20% | 20% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.

4. Resident individual

Tax assessment base:

- sum of income
- income-related expenses
- special expenses
- extraordinary burdens
- tax-free amounts
- tax assessment base

There is a progressive rate of income tax (0-55%) in Austria. The level of income tax depends on the taxable income in a given calendar year.

| Income in EUR | Tax rate |
|---------------------------|----------|
| Until 11.000 | 0% |
| Above 11.000 up to 18.000 | 20% |
| Above 18.000 up to 31.000 | 35% |
| Above 31.000 up to 60.000 | 42% |
| Above 60.000 up to 90.000 | 48% |
| Above 90.000 | 50% |

On other remuneration, particularly one-time payments (eg 13th and 14th salary) up to one-sixth of the yearly recurring payments (Jahressechstel) the following rates apply:

| Other remuneration | Tax rate |
|-------------------------|----------|
| For the first EUR 620 | 0% |
| For the next EUR 24.380 | 6% |
| For the next EUR 25.000 | 27% |
| For the next EUR 33.333 | 35,75% |
| Above EUR 83.333 | 50% |

In the calendar years, 2016 until 2025, income above EUR 1 Million is taxed with a rate of 55%.

5. Non-resident individual tax rates

The rules relating to Austrian income received by persons domiciled outside Austria are in principle the same as for persons domiciled in Austria. However, for some income, a withholding tax is applied that can in some cases be exempt from all future taxation.

6. Goods and services tax

Value-added tax

VAT is a general consumption tax levied on goods supplied and services provided in Austria.

Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer. VAT is finally borne by the end-user, since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided from the customer and pays it on to his local tax office, minus the VAT on inputs paid to his own supplier.

6. Goods and services tax (cont.)

The Austrian VAT rates are as follows:

- Regular tax rate: 20%
- Reduced tax rates: 13 % and 10%

The reduced tax rates apply for instance to foodstuffs, books, passenger transportation and accommodation.

Tax exemptions

A distinction is made between:

- Exemptions with credit: the turnovers are exempt from the sales tax, but the right to deduct input tax remains.
 - * The most important cases are exports to third countries.
- Exemptions without credit: the sales tax is not invoiced, and the corresponding input tax cannot be claimed. Examples:
 - * small business owners
 - * insurance companies
 - * insurance agents
 - * rentals for business premises

VAT returns and payments have to be done monthly or quarterly depending on the annual amount of turnover.

7. Estate duty

Inheritance and gift tax

Estates or donations after the 1st August 2008 are not taxable. However, real estate transfer tax has to be paid in the case of an inheritance of a property.

Real estate transfer tax

There are different types of real estate transfers in Austria:

- transfers with compensation: 3,50% (generally)
- free-of-charge transfers (i.e. family and non-family transfers): The property value is the taxable base for this kind of transfer. A three-fold assessed rateable value (capped at 30% of the fair market value) is taken as the tax base and a tax rate of 2% is applied for real estate transfers within the closest family circle.
- transfers without compensation: This kind of transfer is subject to different levels:

| Property value | Tax rate |
|--------------------------|----------|
| ... of below EUR 250.000 | 0,5% |
| ... up to EUR 400.000 | 2% |
| ... over EUR 400.000 | 3,5% |

- Business transfers: In this case, the tax is capped at 0,5% of the property value. In special cases in connection with corporate restructuring under the Reorganisation Tax Act, the two-fold assessed standard rateable value is taken as the tax base, and the standard tax rate applies. 0,5% of the property value amounts as the standard tax rate.

An exemption is real estate transactions with a tax base of EUR 1100 or below as there is no taxation.

8. Stamp duty

For certain legally predefined transactions, stamp duties are imposed. If there is a written contract (e.g. lease contracts, bills of exchange, assignments of receivables or even electronically signed emails) and at least one party is Austrian or the contract is related to Austria, stamp duties are triggered. However, various possibilities are available to structure legal transactions in a way without triggering stamp duties (e.g. setting up of contracts abroad, offer-acceptance procedure, usage of audio-tapes).

The stamp duty rates for the most common legal transactions are as follows:

| Legal transactions | Stamp duty (%) |
|-------------------------------|-------------------------------|
| Lease agreements (1) | 1,00 |
| Certificates of bonds/pledges | 1,00 |
| Bill of exchange | 0,13 |
| Assignment of receivables | 0,80 |
| Loan and credit agreements | Are not subject to stamp duty |

9. Property tax

In Austria there is no property tax.

10. Income tax filing deadlines

| Types of form | Taxpayer | Deadlines (of the following year) |
|---------------|----------------------------|--|
| E1 | Residential individual | 30th April (30th June in case of online submission via FinanzOnline) |
| E7 | Non-residential individual | 30th April (30th June in case of online submission via FinanzOnline) |
| K1 | Companies | 30th April (30th June in case of online submission via FinanzOnline) |

11. Double tax agreements

Austria has signed 93 tax treaties with all major trading countries. Some of the treaties provide for elimination or partial elimination of double taxation by a foreign tax credit. Under the majority of treaties, however, double taxation is avoided or partially avoided by an exemption-with-saving clause as to progression. As an exception to the rule, dividends and interest are usually fully taxable with a foreign tax credit.

For more information on each of the countries, please visit: <https://english.bmf.gv.at/taxation/The-Austrian-Tax-Treaty-Network.html>

BELGIUM

2022 TAX CARD (IN EUROS)

1. Basis of taxation

Income is taxed on a year basis and taxpayers must submit tax returns on a self-assessment basis.

Belgium levies taxes which can be categorized as follows:

- taxes on income (income and corporate tax);
- taxes on expenditure (VAT);
- taxes on assets (registration duties, inheritance and gift duties, etc.);
- local taxes (property tax, etc.).

The normal Belgian income year runs from 1 January to 31 December.

The Belgian taxation system is based on two main principles:

- Residence jurisdiction principle: individuals or corporations that are registered as residents of Belgium are subject to Belgian tax on their worldwide income, arising both in Belgium and/or elsewhere.
- Source jurisdiction principle: the source jurisdiction of taxation means that Belgium taxes non-resident individuals and corporations on income arising to them from sources within Belgium only.

2. Corporate tax

Additional definitions related to the corporate taxation period:

Financial year is the year in which revenue is arising.

Tax year is the year in which the revenue is taxed.

Revenue arising during the financial year ending on 31 December is following the taxation rules of the next year (tax year = financial year + 1).

Revenue arising during the financial year ending before 31 December is following the taxation rules of the year in which the financial year ends, and not the taxation rules of the next year (tax year = financial year).

A Belgian resident company and a company that is taxable in Belgium due to the 'Source jurisdiction principle' are subject to Belgian corporate income tax.

The following tax rates apply to Belgian companies and establishments of foreign companies for the financial year 2021 (tax year 2022).

2. Corporate tax (cont.)

Table 2.1

| Type of the tax rates | Tax rate |
|--|---------------|
| Small and medium-sized companies ¹ subject to the reduced tax rate | See table 2.2 |
| Large companies and companies not subject to the reduced tax rate ² | 25,00% |

¹ Small and medium-sized companies are as per definition of the Belgian legislation the ones that DON'T exceed any of the following limits at the end of the latest closed financial year:

- Annual average personnel: 50
- Annual turnover (excl. VAT): 9M EUR;
- Total of the balance: 4.5M EUR.

If more than one of the aforementioned criteria is exceeded or no longer exceeded, this will only have an impact if this new situation lasts for two consecutive financial years. So, the impact will start as from the financial year following to the financial year in which more than one of the criteria is exceeded or no longer exceeded for the second time.

² Companies not subject to reduced tax rate (TY 2022): Companies not being an SME based on the criteria listed in point 1 above and/or one of the following exclusions is not applicable:

- Company's financial participations is higher than 50% of its capital adjusted with taxed reserves;
- Affiliates that are owned by other companies for 50 or more % of its shares;
- Companies that paid less than 45.000 EUR as a salary to Director during the FY;
- Investment funds and pension funds.

Table 2.2

| Taxable revenue EUR | Tax rate |
|---------------------|----------|
| 0-100.000 | 20,00% |
| →100.000 | 25,00% |

3. Withholding tax rate (non-treaty)

Table 3.1

| Taxable revenue EUR | Tax rate Resident Individual/ Corporation | | Tax rate Non-Resident Individual/Corporation |
|-------------------------------|---|------------------|--|
| | | | |
| Dividends | 30% | 30% | 30% |
| Interest | 30% | 0% ³ | 30% |
| Royalties/know-how | 30% | 30% | 30% |
| Rents (for moveable property) | 0% | 30% ⁴ | 30% (specific cases) |
| Salaries | WHT scales NA | | WHT scales NA |
| Management fees | NA | | NA |
| Technical fees | NA | | 16,5% ⁵ |
| Directors' fees | NA | | NA |

³ Concerns a tolerance of the Belgian tax authorities.

⁴ Applicable in specific cases.

⁵ Concerns a specific Belgian tax regime.

4. Resident and non-resident individual tax rates (for Tax Year 2022)

Progressive tax rate

Table 4.1

| Taxable Income (TY 2022) EUR | Tax rate |
|------------------------------|---------------------------------------|
| 0 - 13.540 | 25% |
| 13.540 - 23.900 | 3.385,00 + 40% of excess over 13.540 |
| 23.900 - 41.360 | 7.529,00 + 45% of excess over 23.900 |
| > 41.360 | 15.386,00 + 50% of excess over 41.360 |

| 5. Value added tax | <p>VAT rates in Belgium are:</p> <ul style="list-style-type: none"> - 21% general rule for all goods and services; - 12% or 6% intermediate or reduced rate - 0% for some exceptional goods and services <p>Belgium follows the European Intracommunity VAT rules (0% rate on goods exported to other EU countries)</p> | | | | | | | | |
|-------------------------------------|--|---------------------|----------|------------|----|------------------|----|----------|-----|
| 6. Inheritance tax | <p>Progressive tax rate depending on the next following factors:</p> <ol style="list-style-type: none"> 1. Region in which taxed (Flanders, Wallonia or Brussels). 2. Relatives grade (husband/wife, children, sisters/brothers). <p>Example: Flanders, straight line (partners, parents or children) relatives:</p> <p>Table 6.1</p> <table border="1" data-bbox="424 757 1457 943"> <thead> <tr> <th>Taxable amounts EUR</th> <th>Tax rate</th> </tr> </thead> <tbody> <tr> <td>0 – 50.000</td> <td>3%</td> </tr> <tr> <td>50.000 – 250.000</td> <td>9%</td> </tr> <tr> <td>→250.000</td> <td>27%</td> </tr> </tbody> </table> | Taxable amounts EUR | Tax rate | 0 – 50.000 | 3% | 50.000 – 250.000 | 9% | →250.000 | 27% |
| Taxable amounts EUR | Tax rate | | | | | | | | |
| 0 – 50.000 | 3% | | | | | | | | |
| 50.000 – 250.000 | 9% | | | | | | | | |
| →250.000 | 27% | | | | | | | | |
| 7. Gift tax | <p>Gift tax rates vary based on the region where the gift is registered. The rates are determined based on the amount of the gift, the relatives grade and the nature of the gifted good (movable or immovable property). The rates can vary (depending on the relatives grade) from 3% up to 40%.</p> | | | | | | | | |
| 8. Stamp duty | <p>Stamp duties are levied in only a limited number of cases. Stamp duties are due on transactions relating to public funds, irrespective of their (Belgian or foreign) origin, that are concluded or executed in Belgium (including when the order is given directly or indirectly to a foreign intermediary by a Belgian resident or a legal entity for the account of a seat or establishment thereof in Belgium), to the extent that a professional intermediary intervenes in these transactions. Exemptions for non-residents and others are available.</p> | | | | | | | | |
| 9. Registration fees | <p>This has changed as from 1 January 2022:</p> <p>Purchases and transfers of real estate located in Belgium, including buildings (except new buildings, which are subject to VAT as described above), are subject to registration duty at the rate of 12.5% of the higher of transfer price or fair market value (except in the Flemish Region, where the applicable rate is in principle 12% but where various lower tax rates exist (i.e. 3% for the purchase of the own and only home).</p> <p>If the purchase or transfer of land is subject to VAT, no registration duties will be charged on the purchase or transfer.</p> <p>In principle, no registration duty is due upon a capital contribution; only a fixed fee of EUR 50 is due.</p> | | | | | | | | |

| 10. Property taxes | <p>Property tax is a regional tax that the owner of a property needs to pay every year. The property tax is calculated on the basis of the cadastral income i.e. the deemed rental value attributed to the property by the authorities. Rates generally range between 1,25% and 2,5% depending on the location of the property. Municipal surcharges increase the effective rate to between 18% and 50% or more. In certain instances, the taxpayer may be entitled to reduced property tax.</p> <p>Resident taxpayers who own a real estate abroad must report their foreign property in their Belgian tax return. Since 2021, they must submit a declaration to the Administration of Measurement and Valuations - Cel foreign cadastral income which will determine the deemed rental value of the foreign real estate.</p> | | | | | | | | | | | | | | | | | | |
|--|--|--|--|------------|------------|-------------|---------|------------|-----------|--|-----------------|----|----|----------------|----|----|-----------------|----|----|
| 11. Tax on securities account | <p>As from 26 February 2021: Annual tax on securities accounts (version 2.0) levied at a rate of 0.15% on the average value of the account in excess of 1 million EUR.</p> | | | | | | | | | | | | | | | | | | |
| 12. Stock exchange tax | <p>The stock exchange tax is a flat-rate tax that is due on transactions (i.e. purchases and sales) of stocks and bonds as well as on redemptions of capitalisation shares of collective investment vehicles that are executed by Belgian residents through Belgian or non-Belgian financial intermediaries. The tax rates vary from 0.12% to 1.32% depending on the type of transaction. The tax is automatically withheld at source in case the transaction occurs through a Belgian financial institution. Otherwise, in case the foreign bank does not comply with its withholding and reporting obligation, it is the beneficiary's responsibility to report the transaction and pay the tax.</p> | | | | | | | | | | | | | | | | | | |
| 13. Income tax filing deadlines | <table border="1" data-bbox="411 1223 1444 1503"> <thead> <tr> <th>Types of Form</th> <th></th> <th>Deadlines*</th> </tr> </thead> <tbody> <tr> <td>Tax Return</td> <td>Individuals</td> <td>30 June</td> </tr> <tr> <td>Tax Return</td> <td>Companies</td> <td>6 months after the end of the financial year</td> </tr> <tr> <td>Management fees</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Technical fees</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Directors' fees</td> <td>NA</td> <td>NA</td> </tr> </tbody> </table> <p>*Various extensions are available for filing.</p> | Types of Form | | Deadlines* | Tax Return | Individuals | 30 June | Tax Return | Companies | 6 months after the end of the financial year | Management fees | NA | NA | Technical fees | NA | NA | Directors' fees | NA | NA |
| Types of Form | | Deadlines* | | | | | | | | | | | | | | | | | |
| Tax Return | Individuals | 30 June | | | | | | | | | | | | | | | | | |
| Tax Return | Companies | 6 months after the end of the financial year | | | | | | | | | | | | | | | | | |
| Management fees | NA | NA | | | | | | | | | | | | | | | | | |
| Technical fees | NA | NA | | | | | | | | | | | | | | | | | |
| Directors' fees | NA | NA | | | | | | | | | | | | | | | | | |
| 14. Double tax agreements | <p>Belgium signed 96 international tax treaties with foreign countries to avoid double taxation.</p> <p>An overview of these treaties can be found: https://financien.belgium.be/nl/particulieren/internationaal/internationale_akkoorde</p> | | | | | | | | | | | | | | | | | | |

Updated: June 2022



Firm: Vyvey & Co Bedrijfsrevisor
Contact: Steven Vyvey | steven@vyvey-co.be | +32 (0)3 482 08 72

CYPRUS

2022 TAX CARD (IN EUROS)

1. Basis of taxation

Income is taxed on a calendar year basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income (subject to exemptions based on domicile) whereas non-residents are taxed on their Cypriot sourced income. The main taxes levied in Cyprus are as follows:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT)
- stamp duty
- property tax (transfer fees)

2. Corporate tax

A company resident in Cyprus is subject to corporation tax at the rate of 12,5% on taxable profits. A non-resident company is taxed on its Cyprus source income at the same rate as a resident company.

3. Withholding tax rate (non-treaty)

| | Resident Individual | Non-resident Individual/Corporation |
|-------------------------------|---------------------|-------------------------------------|
| Dividends | 17% | 0 |
| Interest | 30% | 0 |
| Royalties/know-how | NA | 10% (zero if used outside Cyprus) |
| Rents (for moveable property) | NA | 0 |
| Management fees | NA | 0 |
| Technical fees | NA | 0 |
| Directors' fees | NA | 0 |

4. Resident individual tax rates

| Taxable Income | Tax Payable |
|-------------------------|------------------------------------|
| EUR 0 – EUR 19,500 | Nil |
| EUR 19,501 – EUR 28,000 | Nil + 20% of excess over 19,500 |
| EUR 28,001 – EUR 36,300 | 1,700 + 25% of excess over 28,000 |
| EUR 36,301 – EUR 60,000 | 3,775 + 30% of excess over 36,300 |
| EUR 60,001+ | 10,885 + 35% of excess over 60,000 |

5. Non resident individual tax rates

| Taxable Income EUR | Tax Payable |
|-------------------------|------------------------------------|
| EUR 0– EUR 19,500 | Nil |
| EUR 19,001 – EUR 28,000 | Nil+ 20% of excess over 19,500 |
| EUR 28,001 – EUR 36,300 | 1,700 + 25% of excess over 28,000 |
| EUR 36,301 – EUR 60,000 | 3,775 + 30% of excess over 36,300 |
| EUR 60,001+ | 10,885 + 35% of excess over 60,000 |

| 6. Value added tax | VAT is levied at a rate of 19% (Reduced taxes apply to certain goods and services). Businesses have to register if the annual turnover is expected to exceed €15.600. | | | | | | | | | |
|--|---|---------------------------------|---------------|---|------------|------------------------------|---|------------------|-----------|---------------------------------|
| 7. Estate duty | Cyprus does not have death or estate taxes. | | | | | | | | | |
| 8. Stamp duty | <p>Stamp duty is payable on any document relating to assets in Cyprus or any matter which shall take place in Cyprus, irrespective of the place of the creation of the document. Rates are as follows:</p> <table border="1" data-bbox="424 645 1457 808"> <tr> <td>For amounts up to EUR 5.000</td> <td>Nil</td> </tr> <tr> <td>For amounts from EUR 5.001- EUR 170.000</td> <td>0,15%</td> </tr> <tr> <td>For amounts over EUR 170.000</td> <td>0,2% with maximum amount payable EUR 20.000</td> </tr> </table> | For amounts up to EUR 5.000 | Nil | For amounts from EUR 5.001- EUR 170.000 | 0,15% | For amounts over EUR 170.000 | 0,2% with maximum amount payable EUR 20.000 | | | |
| For amounts up to EUR 5.000 | Nil | | | | | | | | | |
| For amounts from EUR 5.001- EUR 170.000 | 0,15% | | | | | | | | | |
| For amounts over EUR 170.000 | 0,2% with maximum amount payable EUR 20.000 | | | | | | | | | |
| 9. Property tax | <p>Immovable property tax was abolished in Cyprus as from 1 January 2017. Immovable property transfer fees are payable by the buyer on the purchase of immovable property as follows:</p> <table border="1" data-bbox="424 1025 1457 1211"> <thead> <tr> <th>Value of property</th> <th>Transfer fees</th> </tr> </thead> <tbody> <tr> <td>Up to EUR 85.430</td> <td>1,5%</td> </tr> <tr> <td>EUR 85.431-EUR 170.860</td> <td>2,5%</td> </tr> <tr> <td>Over EUR 170.860</td> <td>4%</td> </tr> </tbody> </table> | Value of property | Transfer fees | Up to EUR 85.430 | 1,5% | EUR 85.431-EUR 170.860 | 2,5% | Over EUR 170.860 | 4% | |
| Value of property | Transfer fees | | | | | | | | | |
| Up to EUR 85.430 | 1,5% | | | | | | | | | |
| EUR 85.431-EUR 170.860 | 2,5% | | | | | | | | | |
| Over EUR 170.860 | 4% | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1" data-bbox="424 1285 1457 1429"> <thead> <tr> <th colspan="2">Types of Form</th> <th>Deadlines</th> </tr> </thead> <tbody> <tr> <td>Tax Return</td> <td>Individuals</td> <td>31 July of the following year</td> </tr> <tr> <td>Tax Return</td> <td>Companies</td> <td>15 months from the tax year end</td> </tr> </tbody> </table> | Types of Form | | Deadlines | Tax Return | Individuals | 31 July of the following year | Tax Return | Companies | 15 months from the tax year end |
| Types of Form | | Deadlines | | | | | | | | |
| Tax Return | Individuals | 31 July of the following year | | | | | | | | |
| Tax Return | Companies | 15 months from the tax year end | | | | | | | | |
| 11. Double tax agreements | <p>Cyprus has signed 67 such treaties. For information for each country, please visit: https://www.mof.gov.cy/ird</p> | | | | | | | | | |

Updated: June 2022

Contact: Kypros Protopapas | k.protopapas@joannides.com.cy | (+357) 22 556 556

Joannides+Co.

Accountants and Management Consultants

Firm: Joannides & Co

CZECH REPUBLIC

2022 TAX CARD (IN CZECH CROWNS)

1. Basis of taxation

Personal Income Tax shall be levied by individuals who have tax residents in the The Czech Republic as well as by individuals who are non-residents for tax purposes in the The Czech Republic.

Generally, the individuals are liable to declare and pay tax in the Czech Republic on their worldwide incomes (i.e. employment incomes, incomes from self-employment, rental incomes, investment incomes and capital gains and other taxable incomes).

Corporate Income Tax shall be levied by enterprises which have tax resident (i.e. the establishment) in the Czech Republic or non-resident in special cases when this liable is determined by the double tax treaty agreement.

The income tax year can be determined as the calendar year (i.e. 1 January – 31 December) or as a fiscal year (12 consecutive months).

2. Corporate tax

The Czech Republic has a flat corporate tax of 19 %.

3. Withholding tax rate (non-treaty)

| | Resident | Non-resident Individual/Corporation |
|-------------------------------|----------|-------------------------------------|
| Dividends | 15 % | 15% / 35% |
| Interest | 0 % | 15% / 35% |
| Royalties/know-how | 0 % | 15% / 35% |
| Financial leasing | 0 % | 5% |
| Rents (for moveable property) | N/A | N/A |
| Management fees | N/A | N/A |
| Technical fees | N/A | N/A |
| Directors' fees | N/A | N/A |

4. Residential individual tax rates

Personal Income Tax rate:

Social security and health insurance contributions are paid by both the employer and the employee on employment income at the following rates: (see below)

| | Employer % | Employee % | Total % |
|-------------------|------------|------------|---------|
| Social security | | | |
| - Old-age pension | 21,5 | 6,5 | 28,0 |
| - Sickness | 2,1 | 0 | 2,1 |
| - Unemployment | 1,2 | 0 | 1,2 |
| Health insurance | 9,0 | 4,5 | 13,5 |

| | |
|---|---|
| <p>5. Goods and services tax</p> | <p>VAT Registration and Deregistration Thresholds:</p> <ul style="list-style-type: none"> • VAT Registration: CZK 1,000,000 • VAT Deregistration: turnover \leftarrow CZK 1,000,000 <p>VAT rates:</p> <ul style="list-style-type: none"> • Standard rate: 21% • Reduced rate: 15% • Super Reduced rate: 10% <p>VAT Return Filing Periods:</p> <ul style="list-style-type: none"> • Turnover \leftarrow CZK 10,000,000 Monthly or quarterly (optional) • Turnover \rightarrow CZK 10,000,000 Monthly <p>VAT Return Filing and Payment Deadlines:</p> <ul style="list-style-type: none"> • 25th day of the following month <p>Filing Periods and Deadlines – other returns:</p> <ul style="list-style-type: none"> • EC Sales Lists (Goods) – Filing Periods: <ul style="list-style-type: none"> * Quarterly VAT payer: Monthly * Monthly VAT payer: Monthly • EC Sales Lists (Services) – Filing Periods: <ul style="list-style-type: none"> * Quarterly VAT payer: Quarterly * Monthly VAT payer: Monthly • EC Sales Lists – Filing deadlines: <ul style="list-style-type: none"> * Paper returns: N/A * Electronic returns: 25 days from the period end <p>VAT Control Statement – Filing Periods:</p> <ul style="list-style-type: none"> • Quarterly VAT payer <ul style="list-style-type: none"> * Monthly (legal person) * Quarterly (individual person) • Monthly VAT payer: Monthly <p>VAT Control Statement – Filing deadlines:</p> <ul style="list-style-type: none"> • Paper returns: N/A • Electronic returns: 25 days from the period end |
| <p>6. Road tax</p> | <p>Road tax is generally payable by the operator of a vehicle registered in the Czech Republic. The tax rate varies from CZK 1,200 to CZK 4,200 in the case of passenger vehicles and from CZK 1,800 to CZK 50,400 in the case of other vehicles.</p> |
| <p>7. Estate tax</p> | <p>Estate duty is not applicable in the Czech Republic.</p> |
| <p>8. Stamp duty</p> | <p>Stamp duty is not applicable in the Czech Republic.</p> |

| 9. Real estate tax and property transfer tax | <p>Real Estate Tax: The tax on buildings is based on the area of land occupied. The rates range from CZK 2 to 10 for buildings. Increased rates apply in certain circumstances. Real estate tax on agricultural land is 0.75% of the deemed value. Special rates apply for forests, lakes and ponds. For other types of land, the tax is based on the area; the rate is CZK 2 per square meters for building land, CZK 5 per square meters for improved land surface used for business and CZK 0.20 per square meters in other cases. Real estate tax is deductible for corporate income tax purposes. There is no real estate transfer tax in the Czech Republic.</p> | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|-------------|-----------|------------|-------------|-------------|-------------|-----------------------|---|---|---|----------------------|----|---|---|---|--|--|--|------------|-------|-------|-------|
| 10. Energy taxes | <p>Energy taxes apply to natural gas and other gases, electricity and solid fuels. Only supplies of these products delivered within the Czech Republic are subject to energy taxes. There is a wide range of exemptions (e.g. for energy used in metallurgic or mineralogical processes). In order to claim an exemption, approval needs to be obtained from the customs authority.</p> | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Consumption taxes | <p>Excise tax is imposed on entities that produce or import certain goods, including hydrocarbon fuels and lubricants, alcohol and spirits, beer, wine and tobacco products. The tax is based on the number of goods expressed in specific units and tax may be levied only once on particular goods.</p> | | | | | | | | | | | | | | | | | | | | | | | |
| 12. Income tax filing deadlines | <table border="1" data-bbox="422 1055 1458 1223"> <thead> <tr> <th colspan="2">Types of Form</th> <th>Deadlines</th> </tr> </thead> <tbody> <tr> <td>Tax Return</td> <td>Individuals</td> <td>30 June*</td> </tr> <tr> <td>Tax Return</td> <td>Companies</td> <td>Until 6* months from ending of the financial year</td> </tr> </tbody> </table> <p>*In case that the tax return is filed by the tax advisor (based on the Power of Attorney) or the corporation is obliged to have a statutory financial audit, the deadlines are prolonged.</p> | Types of Form | | Deadlines | Tax Return | Individuals | 30 June* | Tax Return | Companies | Until 6* months from ending of the financial year | | | | | | | | | | | | | | |
| Types of Form | | Deadlines | | | | | | | | | | | | | | | | | | | | | | |
| Tax Return | Individuals | 30 June* | | | | | | | | | | | | | | | | | | | | | | |
| Tax Return | Companies | Until 6* months from ending of the financial year | | | | | | | | | | | | | | | | | | | | | | |
| 13. Double tax agreements | <table border="1" data-bbox="422 1429 1458 1758"> <thead> <tr> <th rowspan="2">Country</th> <th colspan="3">WHT (%)</th> </tr> <tr> <th>Dividends %</th> <th>Interest %*</th> <th>Royalties %</th> </tr> </thead> <tbody> <tr> <td>Resident Corporations</td> <td>15</td> <td>0</td> <td>0</td> </tr> <tr> <td>Resident Individuals</td> <td>15</td> <td>0</td> <td>0</td> </tr> <tr> <td>Non-resident corporations and individuals:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Non treaty</td> <td>15/35</td> <td>15/35</td> <td>15/35</td> </tr> </tbody> </table> | Country | WHT (%) | | | Dividends % | Interest %* | Royalties % | Resident Corporations | 15 | 0 | 0 | Resident Individuals | 15 | 0 | 0 | Non-resident corporations and individuals: | | | | Non treaty | 15/35 | 15/35 | 15/35 |
| Country | WHT (%) | | | | | | | | | | | | | | | | | | | | | | | |
| | Dividends % | Interest %* | Royalties % | | | | | | | | | | | | | | | | | | | | | |
| Resident Corporations | 15 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | |
| Resident Individuals | 15 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | |
| Non-resident corporations and individuals: | | | | | | | | | | | | | | | | | | | | | | | | |
| Non treaty | 15/35 | 15/35 | 15/35 | | | | | | | | | | | | | | | | | | | | | |

DENMARK

2022 TAX CARD (In Euros)

1. Basis of taxation

Income is taxed on a yearly basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their Danish sourced income.

The main taxes levied in Denmark could be divided into four categories:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT)
- taxes on assets (registration duties, inheritance and gifts duties, real estate wealth tax)
- direct local taxes (property tax, residence tax)

2. Corporate tax

Companies are subject to tax on all income and are only allowed deductions on expenses that are related to the operations of the company. The corporate tax rate is 22% of the tax base reduced by tax loss. Limitations apply if the tax loss is above EUR 1.073.825 (2012 figure).

According to Danish tax law, a territoriality principle prevails with respect to PEs and real estate located abroad. Hence, a Danish company is not taxed on its worldwide income. Instead, income from a PE outside Denmark or from real estate located abroad is excluded from taxable income. Non-resident companies are taxed only on profits from income sourced in Denmark.

A corporation is a resident in Denmark for tax purposes if it is incorporated in Denmark and registered in the Companies Register as having a Danish place of business. Further, foreign companies having their actual place of management in Denmark are also tax residents in Denmark. The actual place of management is typically the place where the management decisions concerning the company's day-to-day operations are made.

Non-resident companies are liable to tax in Denmark on business profits derived through a PE in Denmark. The existence of a PE is determined according to Danish tax law, which makes either a reference to a specific DTT or to a text similar to Article 5 of the Organization for Economic Co-operation and Development (OECD) Model Convention.

Mandatory Danish tax consolidation

A mandatory tax consolidation regime obligates all Danish resident companies and Danish branches that are members of the same Danish or international group to file a joint group tax return. The definition of a group generally corresponds with the definition of a group for accounting purposes. The tax consolidated income is equal to the sum of the taxable income of each individual Danish company and Danish branches of foreign companies that are a member of the consolidated group.

| | |
|---|--|
| <p>2. Corporate tax (cont.)</p> | <p>Companies included in a mandatory tax consolidation are jointly and severally liable for the payment of corporate taxes. Withholding taxes (WHTs) on dividends, interest, and royalty payments are also covered by the joint and several liability.</p> <p>Elective cross-border tax consolidation A non-Danish subsidiary may be included as a member of a Danish tax grouping, provided that the group includes all group companies and branches in the Danish tax grouping. In effect, this all-or-nothing provision rules out the possibility for major international groups to have their Danish subgroup file a Danish group tax return that includes only certain hand-picked (typically loss-making), foreign group members. Losses deducted in an elective cross-border tax consolidation will be recaptured either fully or to a limited extent. If a general cross-border tax consolidation is established, it will be binding for ten years.</p> <p>Transfer pricing Danish transfer pricing rules apply to transactions between related parties (e.g., inter-group transactions), whether the transactions are made between residents or non-residents. The rules apply when a company or person directly or indirectly controls more than 50% ownership of the share capital or more than 50% of the voting power of an entity. Transactions with PEs are also considered subject to the rules, whether domestic or foreign. There are extensive rules concerning documenting transactions between related parties.</p> <p>Thin capitalization and interest relief limitations Danish resident companies and Danish branches of foreign companies are subject to three sets of restrictions, each of which may seriously limit or disallow Danish tax deductions for financing costs. Specific rules apply.</p> |
| <p>3. Withholding tax rate (non- treaty)</p> | <p>Dividends Dividends paid to a parent company in another EU member state or a state with which Denmark has a DTT are exempt from WHT, provided that the shares qualify as subsidiary shares (and the taxation should be reduced or eliminated according to the DTT or EU Parent-Subsidiary Directive). The same applies for dividends paid on group shares (that are not also subsidiary shares, i.e., holdings below 10%), provided that the recipient company is resident within the EU/EEA.</p> <p>However, the dividends may not be exempt from WHT if they are regarded as a redistribution of tax-exempt dividends that the Danish company has received from a foreign subsidiary where the Danish company cannot be regarded as the beneficial owner.</p> <p>If the portfolio shareholder (shareholding below 10%) is situated in a country with which Denmark has a tax information exchange agreement (TIEA), the tax rate on the dividend is reduced to, e.g., 15% and the difference between the higher WHT rate (27%) and the lower WHT rate may be reclaimed. The reduced rate does not apply if the shareholder is resident outside the European Union and together with related entities owns more than 10% of the capital in the Danish distributing company.</p> |

3. Withholding tax rate (non-treaty) (cont.)

Interest

Interest is generally not subject to WHT unless paid to a foreign group member company that is tax resident outside the European Union and outside any of the states with which Denmark has concluded a tax treaty. In this situation, interest WHT is levied at 22%. Certain other exemptions apply, mainly relating to CFC taxation.

For recipients resident in countries within the European Union with which Denmark does not have a tax treaty, it is a condition that the paying company and the recipient company are associated as defined in the EU Interest/Royalty Directive.

Royalties

Royalties are subject to a 22% WHT. In most cases, the WHT rate can be reduced in accordance with the tax treaty applicable to the payee. Also, the EU Interest/Royalty Directive may provide an exemption from WHT if the paying company and the recipient company are associated as defined in the EU Interest/Royalty Directive.

Treaty WHT rates

| Recipient | WHT (%) | | | |
|-----------------------------|-----------------------------|------------|--------------|---------------|
| | Dividends % | | Interest %* | Royalties % |
| | Qualifying companies (1a+b) | Others | (%) | (%) |
| Resident corporations | 0 | 22 (10) | 22 (10) | 22 (10) |
| Resident individuals | | 27/42 (10) | (10) | (10) |
| Non-treaty (4): | | | | |
| Non-resident corporations | 27 (11) | 27 (11) | 22 (3, 5, 9) | 22 (5, 9) |
| Non-resident individuals | | 27 (11) | 0 | 22 (9) |
| Treaty: | | | | |
| Argentina | 0 (1a) | 15 | 0 | 3/5/10/15 (7) |
| Australia | 0 (1a) | 15 | 0 | 10 |
| Austria | 0 (1a+b) | 15 | 0 | 0 |
| Azerbaijan | 10 (12) | 15 | 10 | 14 (12) |
| Bangladesh | 0 (1a) | 15 | 0 | 10 |
| Belgium | 0 (1a+b) | 15 | 0 | 0 |
| Brazil | 0 (1a) | 25 | 0 | 15/25 (7, 9) |
| Bulgaria | 0 (1a+b) | 15 | 0 | 0 |
| Canada | 0 (1a) | 15 | 0 | 0/10 (7) |
| Chile | 0 (1a) | 15 | 0 | 5/15 (7) |
| China, People's Republic of | 0 (1a) | 10 | 0 | 10 |
| Croatia | 0 (1a) | 10 | 0 | 10 |

Treaty WHT rates

| Recipient | WHT (%) | | | |
|----------------------|-----------------------------|-----------|-------------|-------------|
| | Dividends % | | Interest %* | Royalties % |
| | Qualifying companies (1a+b) | Others | (%) | (%) |
| Cyprus | 0 (1a+b) | 15 | 0 | 0 |
| Czech Republic | 0 (1a+b) | 15 | 0 | 5 |
| Egypt | 0 (1a) | 20 | 0 | 20 |
| Estonia | 0 (1a+b) | 15 | 0 | 5/10 (7) |
| Faroe Islands | 0 (1a) | 15 | 0 | 0 |
| Finland | 0 (1a+b) | 15 | 0 | 0 |
| Georgia | 0 (1a) | 10 | 0 | 0 |
| Germany | 0 (1a+b) | 15 | 0 | 0 |
| Ghana, Republic of | 0 (1a+b) | 5/15 (13) | 0 | 8 |
| Greece | 0 (1a+b) | 18 | 0 | 5 |
| Greenland | 0 (1a) | 15 | 0 | 10 |
| Hungary | 0 (1a+b) | 15 | 0 | 0 |
| Iceland | 0 (1a+b) | 15 | 0 | 0 |
| India | 0 (1a) | 25 | 0 | 20 |
| Indonesia | 0 (1a) | 25 | 0 | 15 |
| Ireland, Republic of | 0 (1a+b) | 15 | 0 | 0 |
| Israel | 0 (1a) | 15 | 0 | 10 |
| Italy | 0 (1a+b) | 15 | 0 | 5 |
| Jamaica | 0 (1a) | 15 | 0 | 10 |
| Japan | 0 (1a) | 15/20 | 15/20 | 20 |
| Kenya | 0 (1a) | 28 | 0 | 20 |
| Korea, Republic of | 0 (1a) | 15 | 0 | 10/15 (7) |
| Kuwait | 0 (1a) | 15 | 0 | 10 |
| Kyrgyzstan | 0 (1a) | 15 | 0 | 0 |
| Latvia | 0 (1a+b) | 15 | 0 | 5/10 (7) |
| Lithuania | 0 (1a+b) | 15 | 0 | 5/10 (7) |
| Luxembourg | 0 (1a+b) | 15 | 0 | 0 |
| North Macedonia | 0 (1a) | 15 | 0 | 10 |
| Malaysia | 0 (1a) | 0 | 0 | 0 |
| Malta | 0 (1a+b) | 15 | 0 | 0 |
| Mexico | 0 (1a) | 15 | 0 | 10 |
| Morocco | 0 (1a) | 25 | 0 | 10 |
| Netherlands | 0 (1a+b) | 15 | 0 | 0 |
| New Zealand | 0 (1a) | 15 | 0 | 10 |
| Norway | 0 (1a+b) | 15 | 0 | 0 |
| Pakistan | 0 (1a) | 15 | 0 | 12 |

**3.
Withholding
tax rate
(non- treaty)
(cont.)**

3. Withholding tax rate (non- treaty) (cont.)

| Recipient | WHT (%) | | | |
|---------------------|-----------------------------|--------|-------------|-------------|
| | Dividends % | | Interest %* | Royalties % |
| | Qualifying companies (1a+b) | Others | (%) | (%) |
| Philippines | 0 (1a) | 15 | 0 | 15 |
| Poland | 0 (1a+b) | 15 | 0 | 5 |
| Portugal | 0 (1a+b) | 10 | 0 | 10 |
| Romania | 0 (1a+b) | 15 | 0 | 4 |
| Russia | 0 (1a) | 10 | 0 | 0 |
| Serbia (6) | 0 (1a) | 15 | 0 | 10 |
| Singapore | 0 (1a) | 10 | 0 | 10 |
| Slovak Republic | 0 (1a+b) | 15 | 0 | 5 |
| Slovenia | 0 (1a+b) | 15 | 0 | 5 |
| South Africa | 0 (1a) | 15 | 0 | 0 |
| Sri Lanka | 0 (1a) | 15 | 0 | 10 |
| Sweden | 0 (1a+b) | 15 | 0 | 0 |
| Switzerland | 0 (1a) | 15 | 0 | 0 |
| Taiwan | 0 (1a) | 10 | 0 | 10 |
| Tanzania | 0 (1a) | 15 | 0 | 20 |
| Thailand | 0 (1a) | 10 | 0 | 5/15 (7) |
| Trinidad and Tobago | 0 (1a) | 20 | 0 | 15 |
| Tunisia | 0 (1a) | 15 | 0 | 15 |
| Turkey | 0 (1a) | 20 | 0 | 10 |
| Uganda | 0 (1a) | 15 | 0 | 10 |

| Country | Dividends % | | Interest %* | Royalties % | |
|----------------|-------------|-------------------|-------------|-------------|-----|
| Country | General (%) | Parent-Subsidiary | (%) | (%) | |
| Ukraine | 0 (1a) | 15 | 0 | 10 | 0 |
| United Kingdom | 0 (1a+b) | 25 | 0 | 0 | 5 |
| United States | 0 (1a) | 15 | 0 | 0 | 0/5 |
| Venezuela | 0 (1a) | 15 | 0 | 5/10 (8) | 0 |
| Vietnam | 0 (1a) | 15 | 0 | 15 | 0 |
| Zambia | 0 (1a) | 15 | 0 | 15 | 6 |

Notes

- Denmark does not operate a system of WHT on dividends when the parent company holds:
 - at least 10% of the share capital of the distributing Danish company, provided the receiving company is resident in an EU/EEA member state or a state with which Denmark has entered into an agreement on the exchange of information, and that the parent company is subject to tax without exemption in that state (subsidiary shares), and that Denmark is obligated to reduce or waive taxation according to the Parent/Subsidiary Directive or a DTT, or
 - less than 10% of the share capital in the distributing company, provided the receiving company is an EU/EEA-resident, the distributing and the receiving company are affiliated companies (group shares), and that Denmark would have been obligated to reduce or waive taxation according to the Parent/Subsidiary Directive or a DTT.
- Interest is generally not subject to WHT unless paid to a foreign group member company that is tax resident outside of the European Union and outside of any of the states with which Denmark has concluded a tax treaty.

3. Withholding tax rate (non- treaty) (cont.)

3. Exemptions apply if the receiving company is directly or indirectly controlled by a Danish parent company or if the receiving company is controlled by a company resident in a state with which Denmark has a double tax convention and that company may be subject to CFC taxation. Finally, an exemption applies if the receiving company establishes that the foreign taxation of interest is not less than three-quarters of the Danish corporate taxation and that the interest is not paid to another foreign company subject to taxation that is less than three-quarters of the Danish corporate taxation.
4. Denmark has terminated its treaty with Spain and France with effect from 1 January 2009. The termination means that each country will tax the relevant income according to its domestic tax rules. Companies in Spain and France receiving dividends from a Danish company may, however, qualify for tax-exempt dividends since they are EU member states.
5. The EU Interest/Royalty Directive may provide an exemption from WHT if the payee is an immediate parent, sister, or subsidiary company resident in the European Union.
6. Serbia has succeeded in the treaty between Denmark and Yugoslavia.
7. Different rates apply depending on the characteristics of the assets on which royalty is paid.
8. The 10% rate is applicable for royalties, whereas the 5% rate is applicable to fees for technical support.
9. The WHT rate is 25% for interest and royalties that are accrued or paid before 1 March 2015.
10. Dividends, interest, and royalties received by a company resident in Denmark are included in the taxable income and taxed in accordance with the current tax rate for companies (22%). It is possible to get credit for foreign taxes on the received dividends, interest, or royalties.
11. As of 1 July 2016, the tax rate on dividends distributed from a Danish company to foreign corporate shareholders is 22%. For dividends distributed from Danish companies to shareholders situated in the EU/ EEA, the tax rate has been reduced retrospectively and applies to dividends distributed on 1 January 2007 or later.
12. It is a requirement for the 10% WHT rate to apply on dividend payments that the parent company holds at least 20% of the shares in the subsidiary and that the investment in the subsidiary amounts to EUR 1 million. The 14% WHT rate applies if the royalty is paid for the use of a patent (license), design, secret formula, etc., or information about industrial, commercial, or scientific experiences.

The 5% WHT rate applies if the parent company holds at least 10% of the shares in the subsidiary, or if the parent company is an institutional investor (specific types of institutional investors are mentioned in the treaty). In any other case, the 15% WHT rate applies.

4. Resident individual tax rates

An individual may be taxed in Denmark as having full tax liability to Denmark, as having limited tax liability to Denmark, or according to special expatriate rules or rules regarding work force hire.

Individuals who are residents in Denmark are subject to full tax liability (i.e. liable to tax on their worldwide income unless the individual is considered to be tax resident in another country according to a double taxation treaty [DTT]).

An individual who is fully tax resident in Denmark will, as a main rule, be taxed according to the ordinary tax scheme by up to 52.07% (55.90% including AM tax, which is also income tax for DTT purposes) in 2022. A number of deductions are applicable; consequently, the effective tax rate is lower in most cases.

An individual not fully tax liable may have limited tax liability to Denmark. Limited tax liability is restricted to income from Danish sources, listed in the Danish Tax at Source Act, section 2, including:

- salary for work performed in Denmark paid by or on behalf of an employer with a legal venue in Denmark
- salary for work performed in Denmark where the stay exceeds 183 days within 12 months
- certain other types of personal income, including directors fees, pension distributions, and social security benefits
- remuneration covered by the special rules on hiring out personnel
- income arising from a business enterprise with a permanent establishment (PE)
- income from property located in Denmark
- dividends from Danish Companies
- royalty income from Denmark, and

4. Resident individual tax rates (cont.)

- remuneration for advisory assistance, under certain circumstances.
- An individual with limited tax liability to Denmark will, as a main rule, be taxed by up to 52.07% (55.90%, including AM tax) on income from sources in Denmark in 2022.

Personal income tax rates

Generally, individuals are subject to national income tax, municipal tax, labour market tax, and church tax (all described below).

When assessing the tax under the ordinary scheme, the following types of income apply:

- Personal income (salary, benefits in kind, self-employment income, pension income, etc.).
- Capital income (interest income, interest expenses, net taxable capital gain, etc.).
- Taxable income (personal income added to capital income and adjusted for certain itemized deductions).
- Share income (dividends, capital gains on shares).
- Property value (value of property situated in Denmark or abroad).

The different types of income are subject to different taxes and are consequently taxed at different rates. This also means that the value of a deduction differs depending on in which income the deduction can be made.

The tax rates are as follows:

| Taxes (2022) | Income basis | Tax rate (%) |
|-------------------------|-----------------|--------------|
| State taxes: | | 12.10 |
| Bottom tax | Personal income | 15.00 |
| Top tax | Personal income | |
| Local taxes: | | 24.982 |
| Municipal tax (average) | Taxable income | 8.00 |
| Labour market tax | Personal income | |
| Share tax: | | 27.00 |
| DKK 0 to 57,200 | Share income | 42.00 |
| More than DKK 57,200 | Share income | |

Note that tax bands and local taxes may be adjusted annually. Altogether, the marginal tax rate cannot exceed 52.07% (2022). However, labour market tax, share tax, property value tax, and church tax are not compromised by this rule. Net capital income is taxed at a rate of up to 42% (in 2022). Negative net capital income and other allowances may be deducted but not with full effect.

5. Non-resident individual tax rates

Non-residents may be limited to tax liable to Denmark, if they have income from Danish sources, e.g., work in Denmark, have other business income from Denmark, dividend income, board member fees, own property, etc. The rules relating to Danish income received by persons domiciled outside Denmark are in principle the same as for persons domiciled in Denmark. However, for some income, a withholding tax is applied that in some cases are exempt from all future taxation.

Special expatriate scheme

According to the special expatriate tax regime, expatriates who are employed in Denmark and scientists assigned to Denmark may be able to apply for a flat tax rate of 27% on their gross salary for up to 84 months. Several conditions must be met, including that the guaranteed monthly salary, before deduction of deductible employee pension contributions, must be at least DKK 70,400 (2022) in average in the calendar year. Special rules apply for researchers. The 27% tax rate is calculated on cash salary, employer-provided telephone/internet, the taxable value of employer-provided company cars, and employer paid taxable health insurance. All other income is taxed in accordance with normal rules. No deductions are allowed against the flat rate taxed income. The employee's stay in Denmark may be longer; however, after the 84-month period, the employee's income is taxed at ordinary rates.

As the labour market tax also applies, the combined tax rate is 32.84% each year during the 84-month period.

Work force hire scheme

The work force hire scheme is a separate Danish limited tax liability. The concept of 'work force hire' implies that the employee continues to be formally employed by the employer in the home country, but is hired out to a company in Denmark as the host country under terms similar to a normal employment relationship. The company in Denmark is therefore deemed to be the employer for tax purposes in order to be covered by the work force hire rules. First and foremost, it must be possible to substantiate that the company in Denmark (the deemed employer) is also responsible for the work performed by the employee. Also, work performed as part of the activity of the Danish company may be seen as workforce hire due to a recent change of the rules concerning work force hire. Employees who are hired by a Danish company under a workforce hire arrangement are taxed in Denmark at a flat rate of 30% of the gross remuneration, etc. No deductions are allowed. Labour market tax should be paid as well. This gives a combined tax rate of 35.6%. The workforce hire rules only apply to employees who are not liable to either ordinary limited tax liability or full tax liability in Denmark. Consequently, if their stay in Denmark is expected to exceed six consecutive months or 183 days within any 12-month period, it is not possible to use the workforce hire rules. The six-month period is not interrupted by stays abroad due to holiday, etc. However, the period will be interrupted if the stay abroad involves a work assignment.

Note that there is a particular focus from the tax authorities on the workforce hire rules and compliance in general.

| | |
|---|---|
| <p>6. Goods and services tax</p> | <p>Value-added tax The standard rate is 25%. Some goods and services are VAT exempt (for example insurance services, medical services, financial services, and cultural services).</p> <p>There is a registration duty for VAT purposes. If the taxable turnover is not expected to exceed DKK 50.000, the business is not obliged to charge VAT. There are registration thresholds for distance sales. The Danish threshold is EUR 35.000.</p> <p>VAT returns and payments have to be done monthly or quarterly depending on the annual amount of VAT.</p> <p>Energy taxes Danish companies must pay environmental taxes, which were introduced to reduce companies' energy consumption, discharges of fluids with an environmental impact, and emission. These taxes are paid to the companies that provide the energy, who then pay the taxes to the Danish tax authorities. Most of the environmental tax rates are regulated every year.</p> <p>In general, almost all VAT-registered companies in Denmark can obtain a reimbursement of some of the environmental taxes on energy (also called energy taxes). The size of the reimbursement of the energy taxes depends on the type of energy used and to what extent the companies can deduct VAT.</p> |
| <p>7. Estate duty</p> | <p>Inheritance left by a Danish resident is, in general, subject to Danish estate tax regardless of the country of residence of the beneficiary. Inheritance received by a Danish resident from an individual who was not resident in Denmark prior to death is not subject to Danish estate tax except if the inheritance consists of property located in Denmark or of assets related to a PE in Denmark. However, if an estate is settled before a Danish court, the entire inheritance will become taxable in Denmark, regardless of the country of residence of the deceased and the heirs.</p> <p>Estate tax amounts to 15% and is levied on the part of the assets that falls to the deceased's children and descendants, stepchildren and their descendants, parents, or cohabitant during the last two years of one's life. Inheritance and insurance payments that fall to the deceased's spouse are exempt from estate tax. Inheritance received by any other relatives than the above-mentioned is subject to a supplementary estate tax of 25% of the value of the asset after deduction of the first 15%. The taxes are not levied on the first EUR 41,945 (in 2022) of the estate.</p> |
| <p>8. Stamp duty</p> | <p>In general, stamp duty primarily occurs in connection with the registration of rights regarding property and land. Furthermore, insurance documents are liable to stamp duty if the risk is situated in Denmark.</p> <p>Stamp tax is payable on a few documents, such as a deed of transfer of real estate (EUR 222 plus 0.6% of the transfer sum). There is no stamp duty on transfers of shares.</p> |
| <p>9. Property tax</p> | <p>Owners of non-residential property must pay land tax annually. The land tax rate is set by the municipalities and must be between 1.6% and 3.4% of the value of the land. Municipalities may also levy a special coverage charge on certain non-residential properties at a maximum of 1% of the value of the property minus the value of the land and minus a property value threshold of EUR 6,711. Land tax and cover charges are deductible from CIT.</p> |

10. Income tax filing deadlines

Individuals:

The tax authorities automatically issue a tax assessment in March the year after the income year. The taxpayer should review the assessment and correct any mistakes and add any missing items before 1 May. In the case of income not automatically reported by employer, banks, etc. (e.g., foreign income), a tax return must be filed by 1 July at the latest.

Filing beyond this date will cause penalties. Tax assessments and filing of a tax return are done electronically in Denmark. Preliminary taxes will be included in the annual tax assessment, and this will result in either tax refund, tax due, or equal balance.

Married couples are taxed jointly, however, they must prepare separate tax returns. The filing date of spousal tax returns is the same, the latest date applies.

| Types of form | Taxpayer | Deadlines (of the following year) |
|---------------|----------------------------|--|
| Tax return | Residential individual | Between 1 May to 1 July |
| Tax return | Non-residential individual | 1 July |
| Tax return | Companies | Varies depending on income year – 6 months after end of the financial year |

Companies:

Danish corporate taxpayers are taxed on an annual basis. Corporate taxpayers may choose a tax year that is different from the calendar year. Tax returns are completed based on financial accounts with adjustments for tax. Tax returns should be filed no later than six months following the end of the accounting year. Tax returns must be filed digitally. Companies can file the tax return themselves or grant their auditor/tax advisors access to file the tax return on their behalf.

11. Double tax agreements

International tax treaties have been put in place to prevent tax treaties which were signed with foreign countries to avoid double taxation.

For information for each country, please visit: <https://www.skm.dk/love/internationalt/dobbeltbeskatningsoverenskomster>

FRANCE

2022 TAX CARD (IN EUROS)

1. Basis of taxation

Income is taxed on a year basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their French sourced income.

The main taxes levied in France could be divided into four categories:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT,....)
- taxes on assets (registration duties, inheritance and gifts duties, real estate wealth tax (IFI) ...)
- direct local taxes (property tax, residence tax, ...)

2. Corporate tax

Corporation tax is a tax, in principle payable annually, on all profits generated in France by companies and other legal entities.

Standard rate: 25% (from 2022)

Reduced rate: 15% up to a profit of EUR 38,120 for small and medium size companies, owned directly or indirectly at least by 75% of individuals.

Corporation taxpayers whose turnover exceed EUR 7,63 m are liable to a social contribution of 3.3% of the corporation tax minus EUR 763,000.

A system of carry back, carry forward and tax consolidation is set up in France.

French and foreign legal entities (companies, trusts, ...) that hold directly or indirectly real property (ies) or property rights located in France could be liable to a 3 % annual tax based on the market value of such properties or rights (exemptions exist under certain conditions).

3. Withholding tax rate (non-treaty)

| | Resident individual | Non-resident Individual/Corporation | |
|----------------------------|---------------------|-------------------------------------|--------|
| Dividends | 12.80% | 12.80% | 30.00% |
| Interests | 12.80% | 0.00% | 0.00% |
| Royalties | 0.00% | 33.33% | 33.33% |
| Capital gain (real estate) | 19.00% | 19.00% | 33.33% |
| Salaries | - | 0% - 20% | - |
| Sport benefits | - | 15.00% | 15.00% |
| Artist benefits | - | 15.00% | 15.00% |

Intra-European regulations as well as numerous international tax treaties can significantly reduce or eliminate the withholding taxes indicated above.

On the other hand, for non-cooperative countries, the rates of certain withholding tax may be raised to 75%.

4. Residential individual tax rates

Personal income tax is in principle a comprehensive tax levied on an individual's total income in a given year. Unless otherwise provided, all income, regardless of origin, is aggregated to give an overall net income to which a single tax scale is applied.

The scale has progressive income bands. However, there are many provisions in the method for calculating income tax that allow taxation to be adjusted to personal circumstances.

The progressive tax scale is then applied to the taxable income per part.

| The portion of taxable income (one part) | Rate |
|---|------|
| For the portion under EUR 10,226 | 0% |
| For the portion over EUR 10,226 and less than or equal to EUR 26,070 | 11% |
| For the portion over EUR 26,070 and less than or equal to EUR 74,545 | 30% |
| For the portion over EUR 74,545 and less than or equal to EUR 160,336 | 41% |
| For the portion over EUR 160,336 | 45% |

Certain types of income (for example capital gain) are taxed on a flat-rate basis at lower rates than the progressive tax scale.

From 1 January 2019, France introduced the system of prepayment of tax by withholding tax on all income from French sources, with annual regularization through the annual income tax return.

In addition, a wealth tax ("Impôt sur la Fortune Immobilière" - IFI), is assessed when the value of real estate or similar assets owned exceed EUR 1,300,000.00.

5. Non-resident individual tax rates

The rules relating to French incomes received by persons domiciled outside France are in principle the same as for persons domiciled in France. However, for some income, a withholding tax is applied that in some cases are exempt from all future taxation.

6. Goods and services tax

Value Added Tax

VAT is a general consumption tax levied on goods supplied and services provided in France.

Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer. VAT is finally borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided from the customer and pays it on to his local tax office, minus the VAT on inputs paid to his own supplier.

The French VAT rates are as follows:

- Standard rate: 20%
- Reduced rates: 10%, 5.5% and 2.1%
- Exemption: 0%

VAT returns and payments have to be done monthly or quarterly depending the annual amount of VAT. VAT exemptions exist for taxable persons with low turnover.

7. Estate duty

Estate duties are applicable in France and are in principle payable by the beneficiary:

- when the donor or deceased is domiciled in France at the time of death: on all the deceased's movable and immovable properties worldwide (with eventual tax credit on foreign property),
- when the donor or deceased is not domiciled in France,
 - » on all movable and immovable properties received by the beneficiary if he is domiciled in France or has been for at least 6 years, in the last 10 years,
 - » only on movable and immovable properties located in France, if the beneficiary is not domiciled in France.

Some specific assets benefit from partial or total exemption. Fixed allowances per beneficiary can be applicable (ex : EUR 100,000 per beneficiary in direct line).

Different scales of taxation exist according to the link uniting the deceased to the entitled person. In case of direct line (parents – children) the scale is as follows:

| Fraction of net taxable part | Rate (%) |
|---------------------------------------|----------|
| up to EUR 8,072 | 5% |
| between EUR 8,072 and EUR 12,109 | 10% |
| between EUR 12,110 and EUR 15,932 | 15% |
| between EUR 15,933 and EUR 552,324 | 20% |
| between EUR 552,325 and EUR 902,838 | 30% |
| between EUR 902,839 and EUR 1,805,677 | 40% |
| over EUR 1,805,677 | 45% |

8. Stamp duty

Transfer duties are applicable in France as follows:

Sales of real property:

- 5.80% (subject to small variations between area)

Transfers of businesses and similar transfers:

- Up to EUR 23,000: 0%
- Between EUR 23,000 and EUR 200,000: 3%
- Over EUR 200,000: 5%

Transfers of shares for valuable consideration:

- For shares and related securities: 1%
- For shares classified as "parts sociales": 3% with a maximum of EUR 23,000
- For transfers of shares of real estate Cie: 5%

Others :

Certain administrative formalities are also subject to small fix stamp duties.

| 9. Property tax | <p>Property tax is levied on developed land or on undeveloped land situated in France. It's levied annually on owners, except where there is entitlement to permanent exemption or temporary exemption.</p> <p>The tax base is the cadastral income, proportional to the notional rental value regularly updated by the authorities.</p> <p>The tax is payable by the owner of the property at 1 January of the year of taxation.</p> <p>The amount of tax is calculated by multiplying the tax base by the rates voted by each beneficiary local authority for the year in question.</p> | | | | | | | | | | | | |
|--|---|-----------------------------------|----------|-----------------------------------|------|------------------------|-------------------------------|---------|----------------------------|----------|------|-----------|---------|
| 10. Income tax filing deadlines | <table border="1"> <thead> <tr> <th>Types of form</th> <th>Taxpayer</th> <th>Deadlines (of the following year)</th> </tr> </thead> <tbody> <tr> <td>2042</td> <td>Residential individual</td> <td>Between 3rd June to 10th June</td> </tr> <tr> <td>2042 NR</td> <td>Non-residential individual</td> <td>3rd June</td> </tr> <tr> <td>2572</td> <td>Companies</td> <td>4th May</td> </tr> </tbody> </table> | Types of form | Taxpayer | Deadlines (of the following year) | 2042 | Residential individual | Between 3rd June to 10th June | 2042 NR | Non-residential individual | 3rd June | 2572 | Companies | 4th May |
| Types of form | Taxpayer | Deadlines (of the following year) | | | | | | | | | | | |
| 2042 | Residential individual | Between 3rd June to 10th June | | | | | | | | | | | |
| 2042 NR | Non-residential individual | 3rd June | | | | | | | | | | | |
| 2572 | Companies | 4th May | | | | | | | | | | | |
| 11. Double tax agreements | <p>France has signed 124 tax treaties to avoid double taxation of which 26 with European countries.</p> <p>For information for each country, please visit : https://www.impots.gouv.fr/portail/les-conventions-internationales</p> | | | | | | | | | | | | |

GERMANY

2022 TAX CARD (In Euros)

1. Basis of taxation

The liability to German income tax is determined by the tax residence status and the source of income. The residents are taxed on their worldwide income. The non-residents are taxed only on German-sourced income.

A company is resident if its statutory seat or place where it is run - place of management - is in Germany. An individual is treated as a resident if he/she has his/her permanent residence or habitual abode in Germany for six months and over.

2. Corporate tax/ trade tax

The tax period is the calendar year or financial year.

The corporate tax rate is 15.825% (including solidarity surcharge) of tax base reduced by tax losses. Limitations apply if the tax loss is above EUR 1,000,000.

There is a trade tax in Germany as well. The trade tax varies depending on the area. The minimum rate is 7%. The usual tax rate averages from 12% to 17%.

Company exit taxation will apply if:

- a tax resident company in Germany relocates its assets from Germany to a permanent establishment abroad, or
- a company German tax non-resident transfers its assets from the permanent German establishment to a foreign country.
- a company, tax resident in Germany relocates its statutory seat or place of management from Germany to a country outside the European Union.

Germany has several anti-abuse regulations in place, particularly targeting certain business structure(s) and interest & royalty payments.

Germany also has comprehensive TP stipulations.

3. Withholding tax rate (non-treaty)

| | Resident | | Non-resident | |
|--------------------------------|-------------------------|------------|--------------|-------------|
| | Individual/ Corporation | Individual | Individual | Corporation |
| Dividends* | 25% | 25%* | 25%* | 25%* |
| Interest* | 25% | 25%* | 25%* | 25%* |
| Royalties/know-how | NA | 30% / 15% | 30% | 15% |
| Rents (for moveable property) | NA | NA | NA | NA |
| Management fees | NA | NA | NA | NA |
| Technical fees | NA | NA | NA | NA |
| Directors' fees | As wages | As wages | As wages | NA |
| Artistic service | NA | 15% | 15% | 15% |
| Use of artistic service | NA | 15% | 15% | 15% |
| Supervisory board remuneration | NA | 30% | 30% | 30% |

* Flat rate withholding tax | N/A: Obligation to file income tax return

| 4. Resident individual tax rates | <table border="1"> <thead> <tr> <th>Taxable Income (excluding capital gains)</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>EUR 0 - EUR 9.984</td> <td>0%</td> </tr> <tr> <td>EUR 9.985 - EUR 58.956</td> <td>progressive tax rate; starting by 14% up to 42%</td> </tr> <tr> <td>EUR 58.957 - EUR 277.825</td> <td>42%</td> </tr> <tr> <td>EUR 277.826 +</td> <td>45%</td> </tr> </tbody> </table> | Taxable Income (excluding capital gains) | Tax Rate | EUR 0 - EUR 9.984 | 0% | EUR 9.985 - EUR 58.956 | progressive tax rate; starting by 14% up to 42% | EUR 58.957 - EUR 277.825 | 42% | EUR 277.826 + | 45% |
|--|--|---|------------|-------------------|----|------------------------|---|--------------------------|-----|---------------|-----|
| | Taxable Income (excluding capital gains) | Tax Rate | | | | | | | | | |
| | EUR 0 - EUR 9.984 | 0% | | | | | | | | | |
| | EUR 9.985 - EUR 58.956 | progressive tax rate; starting by 14% up to 42% | | | | | | | | | |
| EUR 58.957 - EUR 277.825 | 42% | | | | | | | | | | |
| EUR 277.826 + | 45% | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Taxable Income (capital gains)</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>EUR 0.00 +</td> <td>25%*</td> </tr> </tbody> </table> | Taxable Income (capital gains) | Tax Rate | EUR 0.00 + | 25%* | | | | | | | |
| Taxable Income (capital gains) | Tax Rate | | | | | | | | | | |
| EUR 0.00 + | 25%* | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Taxable Income (dividends)</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>EUR 0.00 +</td> <td>25%*</td> </tr> </tbody> </table> | Taxable Income (dividends) | Tax Rate | EUR 0.00 + | 25%* | | | | | | | |
| Taxable Income (dividends) | Tax Rate | | | | | | | | | | |
| EUR 0.00 + | 25%* | | | | | | | | | | |
| <p>The taxpayers may claim:</p> <ul style="list-style-type: none"> • social security and health care contributions, • a flat-rate deduction of EUR 1,000 is available for employed income • the tax bonus of a child allowance in the amount of EUR 2,730 per parent per child plus a childcare allowance of EUR 1,464 per parent per child, • support to dependent relatives residing in the same residence • special tax calculation if married <p>* flat rate withholding tax.</p> | | | | | | | | | | | |
| 5. Non-resident individual tax rates | <p>The non-resident individual tax rates are the same as the resident individual tax rates. The scope of taxable income is different; there is no tax-free income of EUR 9.984</p> <p>The dividend income tax rates are the same.</p> | | | | | | | | | | |
| 6. Goods and services tax | <p>The Value Added Tax is levied in Germany:</p> <ul style="list-style-type: none"> • on the supply of goods and services where the place of supply is Germany, • on EU supply of goods for consideration from other EU Member State, • on the import of goods from outside the European Union. <p>The standard rate is 19%. The reduced rate of 7% is applied to certain goods (for example certain foods, books, antibiotics and orthopaedic items). Some goods and services are VAT exempt (for example insurance services, financial services).</p> <p>There is a registration duty for VAT purposes. If the taxable turnover is not expected to exceed EUR 50,000 and does not exceed EUR 22,000 in the prior year, the business is not obliged to charge VAT. There are registration thresholds for so-called distance selling. The German threshold is EUR 10,000.</p> | | | | | | | | | | |
| 7. Estate duty | Germany has the estate tax or the inheritance tax. | | | | | | | | | | |
| 8. Stamp duty | Germany does not have stamp duty. | | | | | | | | | | |

9. Property tax

Real estate tax is levied as an annual real estate tax on all immovable property by the municipal authorities. The effective tax rate is usually between 1.5% to 2.3% of a historic value. The tax period is the calendar year.

The taxpayers are obligated to pay the property tax annually to the municipal authorities.

Real estate transfer tax is levied on the transfer of real estate, which is sited in Germany and certain transactions with companies owning real estate in Germany.

The tax rate depends on the location of the real estate. It ranges depending on the federal state between 3.5% to 6.5% of the tax base.

10. Income tax filing deadlines

| Types of Form | | Deadlines |
|-------------------|-------------|---|
| Income Tax Return | Individuals | By July 31st in the year following the tax year |
| Income Tax Return | Companies | By July 31st in the year following the tax year |

* Extensions (by February 28th after the close of the following tax year) are automatically granted if advised by a tax consultant.

11. Double tax agreements

Germany concluded 96 tax treaties to avoid double taxation in the area of income tax. Germany also signed the Multilateral Instrument (the MLI) on June 7th, 2017.

For further detail please view: [Stand der Doppelbesteuerungsabkommen und anderer Abkommen im Steuerbereich sowie der Abkommensverhandlungen am 1. Januar 2022](#)

Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties for individuals.

For further detail please view: https://www.bzst.de/DE/Privatpersonen/Kapitalertraege/AuslaendischeQuellensteuer/auslaendischequellensteuer_node.html

12. Inheritance tax / Gift tax

Unrestricted tax liability arises if the testator or inheritor, or the donor or gift recipient, are residents at the time of the inheritance / gift. Whether or not you are resident is generally based on your place of residence or habitual abode at the time of the inheritance / gift.

There is an exception for German citizens if they have not moved abroad for more than 5 years (in which case they are still considered residents). Corporations are subject to unlimited tax liability if they have their registered office or management in Germany. In the case of unlimited tax liability, the entire inheritance / gift is subject to inheritance tax / gift tax in Germany. Tax liability is limited if the above conditions are not met. Only the acquisition of domestic assets, within the meaning of Section 121 BewG, is subject to tax.

**12.
Inheritance
tax / Gift tax
(cont.)**

Allowances:

In the case of unlimited tax liability, the tax exemption is up to EUR 500,000, depending on the family relationship. In the case of limited tax liability, the exemptions are taken into account proportionally, calculated according to the ratio of total income to domestic assets.

Tax rates:

The applicable tax rates lie between 7% and 50%.



Updated: June 2022

Firm: MTG Mittelbayerische Treuhandgesellschaft mbH
Contact: Alexander Hutter | Alexander.Hutter@mtg-group.de
(+49) 841 96508 - 26

GREECE

2022 TAX CARD (IN EUROS)

1. Basis of taxation

The liability to Greek income tax is determined by the tax residence status and the source of income. The Greek tax residents are taxed on their worldwide income. The tax non-residents are taxed only on income which arises to them from Greek-source.

A company is the resident if its seat or place of effective management is considered in Greece. An individual is treated as resident if he has his permanent residence or habitual abode or lives for at least 183 days in each calendar year in Greece.

The main taxes levied in Greece could be divided in four categories:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT)
- taxes on assets (registration duties, inheritance and gifts duties, real estate wealth tax (IFI))
- direct local taxes (property tax, residence tax, ...)

2. Corporate tax

The tax period is the calendar year or financial year.

The corporate tax rate is 22%.

The tax loss of the previous years is decreasing the taxable income of the year.

The taxation upon leaving the country (exit tax) will apply if:

- the company or tax resident in Greece moves its assets from Greece to its permanent establishment abroad, or
- the company or Greek tax non-resident moves its assets from the Greek permanent establishment to its centre in another country or to its permanent establishment abroad.

Taxation is calculated in a special tax base, whereas the tax base must be positive. There are special conditions for calculation, tax period as well as due date and penalties.

The thin cap rules are in force in Greece. Interests from loans exceeding EUR 3.000.000 per year are tax deductible only up to the amount of 30% of EBITDA indicator, i.e. accounting result before depreciation, interest and tax. These rules do not relate to the financial institutions and leasing companies.

3. Withholding tax rate (non-treaty)

| | Individual/Corporation |
|-------------------------------|------------------------|
| Dividends | 5% |
| Interest | 15% |
| Royalties/ know-how | 20% |
| Rents (for moveable property) | 24% |
| Management fees | 20% |
| Technical fees | 3% |
| Directors' fees | As salaries |

3. Withholding tax rate (non-treaty) (cont.)

There is no withholding tax in the dividends, if the shareholder

- a) Is EU resident,
- b) has more than 10% and
- c) for more than two years

4. Residential individual tax rates (cont.)

Personal income tax is in principle a comprehensive tax levied on an individual's total income in a given year. Unless otherwise provided, all income, regardless of origin, is aggregated to give an overall net income to which a single tax scale is applied. The scale has progressive income bands.

The progressive tax scale is then applied to the taxable income per part.

| Taxable Income (excluding capital gains) | Tax Rate |
|--|----------|
| EUR 0,00 – EUR 10.000 | 9% |
| EUR 10,001 – EUR 20.000 | 22% |
| EUR 20,001 – EUR 30.000 | 28% |
| EUR 30,001 – EUR 40.000 | 36% |
| EUR 40,001+ | 44% |

| Taxable Income (capital gains) | Tax Rate |
|--------------------------------|----------|
| 0.00 + | 20% |

| Taxable Income (dividends) | Tax Rate |
|----------------------------|----------|
| 0.00 + | 5% |

| Income from rent of land/houses/apartments | Tax Rate |
|--|----------|
| EUR 0.00 – EUR 12.000 | 15% |
| EUR 12.001 – EUR 35.000 | 35% |
| EUR 35.001+ | 45% |

In Greece, they are also paid social and health insurance contributions.

5. Non-resident individual tax rates

The non-resident individual tax rates are same with the resident individual tax rates. The non-resident is taxable for the income in Greece, only.

| <p>6. Goods and services tax</p> | <p>The Value Added Tax is levied in Greece:</p> <ul style="list-style-type: none"> • On the supply of goods and services for consideration performed in Greece by taxable persons, • On the Intra-Community supply of goods for consideration from other EU Member State, • On the imports of goods. <p>The standard rate is 24%. The reduced rate of 13% is applied to certain goods (for example basic foodstuffs, energy etc). Some goods and services are VAT exempt (for example insurance services, financial services and cultural services). Super reduced rate 6% is applied for medicine and books.</p> <p>If the taxable turnover within the last 12 calendar months will reach the registration threshold of EUR 10.000 the taxable persons are obligated to register for VAT purposes. The taxable persons which supply real properties have to register for VAT if the legal conditions are met. The voluntary VAT registration is possible.</p> | | | | | | | | | |
|---|---|---|--|------------|-------------------|-------------|---|-------------------|-----------|---|
| <p>7. Estate duty</p> | <p>Greece does have the estate tax and the inheritance tax. The tax is charged as follows:</p> <p>a) For individuals</p> <ol style="list-style-type: none"> 1. between 1,20 and 13,00 EURO per square meter based on the price of the place. 2. a supplementary tax is paid, based on the total value of the price. <p>b) For legal entities</p> <ol style="list-style-type: none"> 1. a tax 0,1% on the value of the property is applied. 2. a supplementary tax is paid, based on the total value of the price. | | | | | | | | | |
| <p>8. Stamp duty</p> | <p>Fees are applied based on the type of activity.</p> | | | | | | | | | |
| <p>9. Property taxes</p> | <p>The real estate tax consists of the land tax, building tax and apartment tax. The persons liable for payment of property tax are the owners of property or in certain cases the property managers.</p> <p>The tax period is the calendar year. The tax return must be filed by 30 days after the purchase of the property. The taxpayers are obligated to pay the property tax annually to the municipal authorities.</p> <p>The tax for the purchase of the property is amounted to 3% on the value of the land, building or apartment. The estate tax is mentioned in the previous paragraph (8). The inheritance tax start from 0% up to 40%.</p> | | | | | | | | | |
| <p>10. Income tax filing deadlines</p> | <table border="1" data-bbox="422 1843 1457 1984"> <thead> <tr> <th>Type of form</th> <th></th> <th>Deadlines*</th> </tr> </thead> <tbody> <tr> <td>Income Tax Return</td> <td>Individuals</td> <td>By June 30th in the year following the tax year</td> </tr> <tr> <td>Income Tax Return</td> <td>Companies</td> <td>By June 30th in the year following the tax year</td> </tr> </tbody> </table> <p>* Various extensions are available for lodgement up to March / April / May / June / September in the year following the tax year</p> | Type of form | | Deadlines* | Income Tax Return | Individuals | By June 30 th in the year following the tax year | Income Tax Return | Companies | By June 30 th in the year following the tax year |
| Type of form | | Deadlines* | | | | | | | | |
| Income Tax Return | Individuals | By June 30 th in the year following the tax year | | | | | | | | |
| Income Tax Return | Companies | By June 30 th in the year following the tax year | | | | | | | | |

**13.
Double tax
agreements**

Greece concluded 57 tax treaties to avoid double taxation. Slovakia also signed the Multilateral Instrument (the MLI) on June 7th, 2017.



Updated: June 2022

Firm: ARGO Audit Ltd
Contact: Dimitrios Mandilaras | d.mandilaras@argoaudit.com |
+30 21 5515 7316

ISRAEL

2022 TAX CARD (In Shekels)

1. Basis of taxation

Since 2003, every Israeli resident has to pay tax in respect of his income that was generated or accrued in Israel and outside of Israel. In contrast, a foreign resident is liable to tax only on his income that was produced or accrued in Israel.

A company is a resident if its seat or place of effective management is considered in Israel. An individual is treated as resident if he has his permanent residence or habitual abode, or lives for at least 183 days in each calendar year in Israel, or stayed in Israel at least 30 days in the tax year and a total of 425 days in the last three years.

2. Corporate tax

The tax period is the calendar year.

The corporate tax rate is 23% of tax base reduced by tax loss.

3. Withholding tax rate (non-treaty)

| | Individual/Corporation |
|-------------------------------|------------------------|
| Dividends | 25-30% |
| Interest | 15- 20% |
| Royalties/ know-how | 10-47% |
| Rents (for moveable property) | 10-47% |
| Management fees | 10-47% |
| Directors' fees | As wages |

4. Resident individual tax rates

| Taxable Income (excluding capital gains) | Tax Rate |
|--|----------|
| EUR 0.0 - EUR 77,400 | 10% |
| EUR 77,440 - EUR 110,880 | 14% |
| EUR 110,880 - EUR 178,080 | 20% |
| EUR 178,080 - EUR 247,440 | 31% |
| EUR 247,440 - EUR 514,920 | 35% |
| EUR 514,920 - EUR 683,240 | 47% |
| EUR 683,240+ | 50% |

| Taxable Income (capital gains) | Tax Rate |
|--------------------------------|----------|
| 0.00 + | 25% |

| Taxable Income (dividends) | Tax Rate |
|----------------------------|----------|
| 0.00 + | 25-30% |

| 5. Non-resident individual tax rates | <p>The non-resident individual tax rates are the same as the resident individual tax rates. The scope of taxable income is different. The dividend income tax rates are 0-25% (treaty) and 30% (non-treaty).</p> | | | | | | | | | |
|---|---|--|--|------------|-------------------|-------------|--|-------------------|-----------|--|
| 6. Goods and Services tax | <p>Value Added Tax is levied in Israel: On the supply of goods and services for consideration performed in Israel by taxable persons,</p> <p>The standard rate is 17%. Some goods and services are VAT exempt (for example fruits and vegetables).</p> | | | | | | | | | |
| 7. Estate duty | <p>Israel does not have an estate tax or inheritance tax.</p> | | | | | | | | | |
| 8. Stamp duty | <p>Israel does not have stamp duty.</p> | | | | | | | | | |
| 9. Property tax | <p>Israel does not have a property tax but has real estate purchase tax. This tax rate of 8% in the part of the value up to Nis 1,696,750 is not taxable at all, and thereafter tax brackets of 3.5%, 5%, 8%, 10%. But this benefit is granted only to an Israel resident. Ostensibly, a foreign resident who purchases an apartment in Israel and is the only apartment in Israel is charged at high tax rates.</p> <p>A foreign resident is entitled to benefit from tax rates on the purchase of his only apartment in Israel (even if he has an apartment abroad) as long as he immigrated to Israel for the first time (or returns after 10 years of residency). With temporary A/1 VISA or temporary residence permit, he is entitled to enjoy a purchase tax rate of only 0.5% on the part of the value up to Nis 1,788,285, while the balance of the value- purchase tax at the rate of 5%.</p> | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1" data-bbox="422 1458 1457 1653"> <thead> <tr> <th data-bbox="422 1458 716 1507">Types of Form</th> <th data-bbox="716 1458 1010 1507"></th> <th data-bbox="1010 1458 1457 1507">Deadlines*</th> </tr> </thead> <tbody> <tr> <td data-bbox="422 1507 716 1579">Income Tax Return</td> <td data-bbox="716 1507 1010 1579">Individuals</td> <td data-bbox="1010 1507 1457 1579">By March 31st in the year following the tax year</td> </tr> <tr> <td data-bbox="422 1579 716 1653">Income Tax Return</td> <td data-bbox="716 1579 1010 1653">Companies</td> <td data-bbox="1010 1579 1457 1653">By March 31st in the year following the tax year</td> </tr> </tbody> </table> <p>* Various extensions are available for lodgement up to April / May / June / September in the year following the tax year.</p> | Types of Form | | Deadlines* | Income Tax Return | Individuals | By March 31st in the year following the tax year | Income Tax Return | Companies | By March 31st in the year following the tax year |
| Types of Form | | Deadlines* | | | | | | | | |
| Income Tax Return | Individuals | By March 31st in the year following the tax year | | | | | | | | |
| Income Tax Return | Companies | By March 31st in the year following the tax year | | | | | | | | |
| 11. Double tax agreements | <p>Israel concluded 58 tax treaties to avoid double taxation.</p> <p>Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:</p> | | | | | | | | | |

**11.
 Double tax
 agreements
 (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|------------------------|---------------|--------------|----------------------|
| Australia | 15 | 10 | 10 |
| Austria | 10 | 0 | 0 or 5 |
| Belarus | 0 or 10 or 15 | 0 or 10 | 0 or 5 or 10 |
| Belgium | 5 or 15 | 0 or 10 | 0 or 5 |
| Bosnia and Herzegovina | 5 or 15 | 0 | 10 |
| Brazil | 15 | 10 or 15 | 15 or 25 |
| Bulgaria | 0 or 10 | 0 or 10 | 0 or 10 |
| Canada | 5 or 10 or 15 | 10 | 0 or 10 |
| China | 10 | 10 | 10 |
| China (Taiwan) | 10 | 10 | 5 or 10 |
| Croatia | 5 or 10 | 10 | 10 |
| Cyprus | 10 | 10 | 0 or 5 |
| Czech Republic | 5 or 15 | 0 | 0 or 5 or 10 |
| Denmark | 15 | 0 | 0 or 5 |
| Estonia | 10 | 10 | 10 |
| Finland | 5 or 15 | 0 | 0 or 1 or 5 or 10 |
| France | 10 | 0 | 0 or 5 |
| Georgia | 0 | 5 | 5 |
| Germany | 5 or 15 | 0 | 5 |
| Greece | 19 | 10 | 0 or 10 |
| Hungary | 0 or 5 or 15 | 0 | 0 or 10 |
| Iceland | 5 or 10 | 0 | 10 |
| India | 15 or 25 | 15 | 30 |
| Indonesia | 10 | 10 | 10 or 15 |
| Ireland | 0 or 10 | 0 | 0 or 10 |
| Israel | 5 or 10 | 2 or 5 or 10 | 5 |
| Italy | 15 | 0 | 0 or 5 |
| Japan | 10 or 15 | 10 | 0 or 10 |
| Kazakhstan | 10 or 15 | 10 | 10 |
| Korea | 5 or 10 | 10 | 0 or 10 |
| Kuwait | 0 | 10 | 10 |
| Latvia | 10 | 10 | 10 |
| Libya | 0 | 10 | 5 |
| Lithuania | 10 | 10 | 10 |
| Luxembourg | 5 or 15 | 0 | 0 or 10 |
| North Macedonia | 5 | 10 | 10 |
| Malta | 5 | 0 | 5 |
| Moldova | 5 or 15 | 10 | 10 |
| Mongolia | 0 | 0 | 0 |
| Netherlands | 0 or 10 | 0 | 5 |

**11.
 Double tax
 agreements
 (cont.)**

| Country | Dividends % | Interest %* | Royalties % |
|-----------------------|--------------|--------------|---------------|
| Norway | 5 or 15 | 0 | 0 or 5 |
| Poland | 0 or 5 or 10 | 0 or 5 or 10 | 0 or 5 |
| Portugal | 10 or 15 | 10 | 10 |
| Romania | 0 or 10 | 0 or 10 | 0 or 10 or 15 |
| Russian Federation | 0 or 10 | 0 | 0 or 10 |
| Serbia and Montenegro | 5 or 15 | 0 or 10 | 10 |
| Singapore | 5 or 10 | 0 | 10 |
| Slovenia | 5 or 15 | 10 | 10 |
| South Africa | 5 or 15 | 0 | 10 |
| Spain | 5 or 15 | 0 | 0 or 5 |
| Sri Lanka | 15 | 10 | 0 or 10 |
| Sweden | 0 or 10 | 0 | 0 or 5 |
| Switzerland | 0 or 5 or 15 | 5 or 10 | 0 or 5 or 10 |
| Syria | 5 | 10 | 12 |
| Tunis | 10 or 15 | 12 | 5 or 15 |
| Turkey | 5 or 10 | 10 | 10 |
| Turkmenistan | 10 | 10 | 10 |
| Ukraine | 0 or 10 | 0 or 10 | 0 or 10 |
| United Kingdom | 5 or 15 | 0 | 0 or 10 |
| United Mexican States | 0 | 10 | 10 |
| USA | 5 or 15 | 0 | 0 or 10 |
| Uzbekistan | 10 | 10 | 10 |
| Vietnam | 5 or 10 | 10 | 5 or 10 or 15 |

Updated: June 2022



Firm: Houser, Nativ, Vexelbaum & Co
Contact: Zerakh Nativ | znativ@hmv.co.il | (+972 3) 575 7795

IRELAND

2021 TAX CARD (In Euros)

1. Basis of taxation

Income is taxed for individuals on a calendar year basis and for corporates based on their accounting period date. Taxpayers are required to submit tax returns on a self-assessment basis.

In general terms, residents are taxed on their worldwide income whereas non-residents are taxed on their Irish sourced income. In the case of resident individuals, who are non-Irish domiciled, they may avail of the remittance basis of taxation in respect of non-Irish source investment income and the income derived under a foreign contract of employment where the duties of employment are exercised outside of Ireland. Reliefs are available under Ireland's extensive double tax treaty network.

Resident individuals are taxed on capital gains on a worldwide basis. This is with the exception of non-domiciled individuals, who are taxed on gains derived outside Ireland only as the capital is remitted to Ireland. Non-resident individuals are taxed on gains on certain Irish situate assets, such as Irish situate land and buildings and unquoted shares deriving their value from such.

In the case of corporates, resident companies are taxed on worldwide income and gains. A corporate not resident in Ireland but carrying on a trade through a branch will be taxable on the trading income from this, and on gains from Irish property.

Different rules apply to determine the tax residence of corporates depending on whether they were incorporated pre or post 1 January 2015. For companies incorporated in Ireland after this date, they will be treated as an Irish resident, unless they would be held to be otherwise resident under a tax treaty. There are transitional rules in place for companies incorporated in Ireland before 1 January 2015, until they will also be subject to the standard position from 1 January 2021. Under the transitional rules, the place of residence for such companies will be determined by their place of central management and control. There is an exception to this where there is both a change in ownership and a major change in the nature of the business, and the standard rule will apply from the point of such change.

In the case of corporates incorporated outside Ireland, their residence will be determined by their place of management and control.

2. Corporate tax

There are two rates of tax for corporates

- 12.5% for trading income
- 25% for passive/investment income

The lower rate may only apply where a company is actively trading in Ireland, and there have been numerous test cases on the nature of trading. Where it is determined that there is not sufficient trading substance in Ireland, the higher rate would be applied.

| 2. Corporate tax (cont.) | <p>The lower rate may also apply in the case of dividend income received from a trading company, in certain circumstances.</p> <p>There is the facility to use losses to reduce prior period profits, current year passive income (on a value basis), future profits from the same trade, or profits within another company in a corporate group structure.</p> <p>An additional surcharge tax may apply where investment income is retained in a company post year end. A separate surcharge applies in the case of a company in which a professional service is undertaken.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|---|---------------------|---|--|-----------|-----|-----|-----|-----------|-----|-----|-----|-----------|-----|-----|-----|---|-----|-----|-----|---|---|----------|---|
| 3. Withholding tax rate (non- treaty) | <table border="1" data-bbox="424 548 1457 1016"> <thead> <tr> <th></th> <th>Resident individual</th> <th colspan="2">Non-resident Individual /corporation</th> </tr> </thead> <tbody> <tr> <td>Dividends</td> <td>25%</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>Interests</td> <td>20%</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Royalties</td> <td>20%</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Capital gain (Certain specified assets such as land and buildings where consideration above threshold and pre clearance not obtained)</td> <td>15%</td> <td>15%</td> <td>15%</td> </tr> <tr> <td>Salaries (including social insurance charges)</td> <td>-</td> <td>0% - 52%</td> <td>-</td> </tr> </tbody> </table> <p>The withholding tax rates may be reduced to zero in cases where the recipients are located in another EU Member State or in a double tax treaty country. This is subject to prior clearance being obtained from the Irish tax authorities.</p> | | Resident individual | Non-resident Individual /corporation | | Dividends | 25% | 25% | 25% | Interests | 20% | 20% | 20% | Royalties | 20% | 20% | 20% | Capital gain (Certain specified assets such as land and buildings where consideration above threshold and pre clearance not obtained) | 15% | 15% | 15% | Salaries (including social insurance charges) | - | 0% - 52% | - |
| | Resident individual | Non-resident Individual /corporation | | | | | | | | | | | | | | | | | | | | | | | |
| Dividends | 25% | 25% | 25% | | | | | | | | | | | | | | | | | | | | | | |
| Interests | 20% | 20% | 20% | | | | | | | | | | | | | | | | | | | | | | |
| Royalties | 20% | 20% | 20% | | | | | | | | | | | | | | | | | | | | | | |
| Capital gain (Certain specified assets such as land and buildings where consideration above threshold and pre clearance not obtained) | 15% | 15% | 15% | | | | | | | | | | | | | | | | | | | | | | |
| Salaries (including social insurance charges) | - | 0% - 52% | - | | | | | | | | | | | | | | | | | | | | | | |
| 4. Resident individual tax rates | <p>In general terms, an individual's total income is pooled and subject to Income Taxes at progressive rates. This is with the exception of deposit interest income which is ring- fenced at a rate of 33% plus social insurance of 4%. An individual will be entitled to certain tax credits to reduce their tax charge.</p> <p>There are two rates of Income Tax. A standard rate of 20% applies on income up to EUR 36,800 (single), EUR 45,800 (married, one income) and EUR 45,800 plus up to EUR 25,800 (married, two incomes). Income above these thresholds is taxed at 40%.</p> <p>In addition, there are social insurance charges in the form of PRSI (4%) and USC (progressive rates from 0.5% to 8%, with a further 3% charge in the case of non-employment income above EUR 100,000).</p> <p>Income from employment exercised in Ireland or from director fees will be subject to payroll taxes, which will be applied at source by the employer. There is no wealth tax in operation in Ireland.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. Non-resident individual tax rates | <p>The rates of tax are as set out for individuals, the exceptions being that a non-resident can only be assessed as a single person unless both spouses income will be subject to Irish tax, and there is limited scope to claim credits. They will not be subject to PRSI (4%) on passive income. Lastly, a retention of 20% must be applied in the case of non-residents deriving rental income from Irish property. This may be eliminated where an Irish based collection agent is appointed, who will be responsible for the filing and payment of taxes.</p> | | | | | | | | | | | | | | | | | | | | | | | | |

6. Goods and services tax

VAT is a tax on the provision of goods and services by Irish businesses, which is levied regardless of the status of the Irish consumer (i.e. business or private individual).

The Irish VAT rates are as follows:

- Standard rate: 23%
- Reduced rates: 9% and 13.5%
- Zero rates with recovery: 0%
- Exempt

The VAT thresholds in place are €37,500 for the supply of services and €75,000 for the supply of goods. A business may elect to register if they are below these thresholds but are not obliged to do so.

A business must register where they make an intra-community acquisition of goods or services regardless of turnover.

The threshold for registration where a business makes distance sales of goods to Irish private customers is EUR 35,000.

Periodic VAT returns are filed, with the standard basis being bi-monthly. This is reduced to a lesser frequency after a period of time if the liability/repayment is a minor amount.

7. Gift/ inheritance taxes

Capital Acquisitions Tax is a tax payable at the rate of 33% by a beneficiary on the receipt of a gift or inheritance.

The tax is levied where the donee or beneficiary is Irish resident, or if the item transferred is Irish situate. There are exceptions where the recipient is not Irish domiciled, in these cases they will not be subject to this tax for the first 5 years of residence.

The tax is levied on the amount received less a threshold determined by the relationship between both parties. These thresholds are:

- EUR 335,000 (received by a child)
- EUR 32,500 (received by a parent, sibling, niece/nephew, grandparent (or other lineal ascendant), grandchild (or other lineal descendant))
- EUR 16,250 (all other persons)

All prior benefits received since December 1991 are aggregated in looking at how much of the threshold has expired.

An annual EUR 3,000 exemption applies to gifts, this is available multiple times between different parties. Significant reliefs are available for the transfer of certain business or agricultural assets.

| | |
|---|---|
| <p>8. Stamp duty</p> | <p>Non-Residential Property: 7,5%</p> <p>Transfer of Shares: 1% (this does not apply if the consideration is EUR 1,000 or less and it does not form part of a series of transactions).</p> <p>There are reliefs available in certain circumstances in the cases of group restructuring and intragroup transfers.</p> |
| <p>9. Property tax</p> | <p>A property tax applies on residential property at graduating rates depending on the property value. Residential property is defined as any building or part of a building which is used as or is suitable for use as a residence. It includes any yard, gardens, driveway or other land associated with the property up to one acre in size. It also includes any other buildings or structures that belong with the residence such as garages and sheds.</p> <p>A person is liable to this tax where they held the property at 1 November in the preceding year. The value of the property for the purposes of the charge was assessed at 1st November 2021.</p> <p>There are a limited number of exemptions available, which relate to a small range of properties.</p> |
| <p>10. Income tax filing deadlines</p> | <p>For individuals, the return pay and file deadline is 31 October in the year following the return year. There is a requirement to make an advance payment of tax in the current year.</p> <p>For corporates, the return pay and file deadline will depend on their accounting period end, and will be 8 months and 21 days following this, for example, 21 September for a 31 December period. There is a requirement to pay tax in advance one month before the period end (for small companies) and during the 6th month of the period along with one month before the end of the period (for large companies i.e. those with prior period tax liabilities exceeding EUR 200,000).</p> |
| <p>11. Income tax filing deadlines</p> | <p>Ireland has signed double tax treaties with 76 countries, 73 of these are currently in effect.</p> <p>A list of the agreements can be found at:</p> <p>https://www.revenue.ie/en/tax-professionals/tax-agreements/double-taxation-treaties/index.aspx</p> |

ITALY

2022 TAX CARD (In Euros)

1. Basis of taxation

Income is taxed on a year basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their Italian sourced income.

The main taxes levied in Italy could be divided in four categories:

- taxes on income (income tax and corporation tax)
- taxes on expenditure (VAT,....)
- taxes on assets (registration duties, inheritance and gifts duties)
- direct local taxes (property tax)

2. Corporate tax

Corporation tax is a tax, in principle payable annually, on all profits generated in Italy by companies and other legal entities.

The tax period is the calendar year or financial year.

A system of carry back, carry forward and tax consolidation is set up in Italy.

Taxation is calculated in a special tax base, whereas the tax base must be positive. The tax rate is 24%. There are special conditions for calculation.

3. Withholding tax rate (non-treaty)

| | Resident individual | Non-resident/Corporation | |
|-----------|---------------------|--------------------------|-------------|
| | | Individual | Corporation |
| Dividends | 26% | 26% | 26% |
| Interest | 26% | 26% | 26% |
| Royalties | 20% | 30% | 30% |

Intra-European regulations as well as numerous international tax treaties can significantly reduce or eliminate the withholding taxes indicated above.

On the other hand, for non-cooperative countries, the rates of certain withholding tax may be raised to 75%.

4. Resident individual tax rates

Personal income tax is in principle a comprehensive tax levied on an individual's total income in a given year. Unless otherwise provided, all income, regardless of origin, is aggregated to give an overall net income to which a single tax scale is applied.

The scale has progressive income bands. However, there are many provisions in the method for calculating income tax that allow taxation to be adjusted to personal circumstances.

The progressive tax scale is then applied to the taxable income per part.

| <p>4. Resident individual tax rates (cont.)</p> | <table border="1" data-bbox="424 181 1457 412"> <thead> <tr> <th>Portion of taxable income (one part)</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>For the portion under 15.000 EUR</td> <td>23%</td> </tr> <tr> <td>For the portion over 15.000 EUR and less than or equal to 28.000 EUR</td> <td>25%</td> </tr> <tr> <td>For the portion over 28.000 EUR and less than or equal to 50.000 EUR</td> <td>35%</td> </tr> <tr> <td>For the portion over 55.000 EUR</td> <td>43%</td> </tr> </tbody> </table> <p>Certain types of income (for example capital gain) are taxed on a flat-rate basis at lower rates than the progressive tax scale.</p> | Portion of taxable income (one part) | Rate | For the portion under 15.000 EUR | 23% | For the portion over 15.000 EUR and less than or equal to 28.000 EUR | 25% | For the portion over 28.000 EUR and less than or equal to 50.000 EUR | 35% | For the portion over 55.000 EUR | 43% |
|--|--|--------------------------------------|------|----------------------------------|-----|--|-----|--|-----|---------------------------------|-----|
| Portion of taxable income (one part) | Rate | | | | | | | | | | |
| For the portion under 15.000 EUR | 23% | | | | | | | | | | |
| For the portion over 15.000 EUR and less than or equal to 28.000 EUR | 25% | | | | | | | | | | |
| For the portion over 28.000 EUR and less than or equal to 50.000 EUR | 35% | | | | | | | | | | |
| For the portion over 55.000 EUR | 43% | | | | | | | | | | |
| <p>5. Non-resident individual tax rates</p> | <p>The rules relating to Italian incomes received by persons domiciled outside Italy are in principle the same as for persons domiciled in Italy.</p> | | | | | | | | | | |
| <p>6. Goods and services tax</p> | <p>Value added tax</p> <p>VAT is a general consumption tax levied on goods supplied and services provided in Italy.</p> <p>Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer. VAT is finally borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided from the customer and pays it on to his local tax office, minus the VAT on inputs paid to his own supplier.</p> <p>The Italian VAT rates are as follows:</p> <ul style="list-style-type: none"> • Standard rate: 22% • Reduced rates: 4% and 10% • Exemption: 0% <p>VAT returns and payments have to be done monthly or quarterly depending on the annual amount of VAT. VAT exemptions exist for taxable persons with low turnover.</p> | | | | | | | | | | |
| <p>7. Estate duty</p> | <p>Estate duties are applicable in Italy and are in principle payable by the beneficiary:</p> <ul style="list-style-type: none"> • when the donor or deceased is domiciled in Italy at the time of death: on all the deceased's movable and immovable properties worldwide (with eventual tax credit on foreign property), • when the donor or deceased is not domiciled in Italy only on movable and immovable properties located in Italy, if the beneficiary is domiciled in Italy. <p>Some specific assets benefit from partial or total exemption. Fixed allowances per beneficiary can be applicable.</p> <p>Different scales of taxation exist according to the link uniting the deceased to the entitled person:</p> | | | | | | | | | | |

| 7. Estate duty (cont.) | <table border="1"> <thead> <tr> <th>Relationship</th> <th>Fraction of net taxable part</th> </tr> </thead> <tbody> <tr> <td>Spouse and relatives in straight line</td> <td>between EUR 0 and EUR 1,000,000: 0% over EUR 1,000,000: 4%</td> </tr> <tr> <td>Brothers and sisters</td> <td>between EUR 0 and EUR 1,000,000: 0% over EUR 1,000,000: 6%</td> </tr> <tr> <td>Relatives up to the fourth degree</td> <td>6%</td> </tr> <tr> <td>Others</td> <td>8%</td> </tr> </tbody> </table> | | Relationship | Fraction of net taxable part | Spouse and relatives in straight line | between EUR 0 and EUR 1,000,000: 0% over EUR 1,000,000: 4% | Brothers and sisters | between EUR 0 and EUR 1,000,000: 0% over EUR 1,000,000: 6% | Relatives up to the fourth degree | 6% | Others | 8% |
|--|--|---|--------------|-----------------------------------|---------------------------------------|---|----------------------------|---|-----------------------------------|-------------|--------|----|
| | Relationship | Fraction of net taxable part | | | | | | | | | | |
| | Spouse and relatives in straight line | between EUR 0 and EUR 1,000,000: 0% over EUR 1,000,000: 4% | | | | | | | | | | |
| | Brothers and sisters | between EUR 0 and EUR 1,000,000: 0% over EUR 1,000,000: 6% | | | | | | | | | | |
| | Relatives up to the fourth degree | 6% | | | | | | | | | | |
| Others | 8% | | | | | | | | | | | |
| Fees are applied but they usually are an insignificant amount. | | | | | | | | | | | | |
| 8. Stamp duty | Fees are applied but they usually are an insignificant amount. | | | | | | | | | | | |
| 9. Property tax | <p>Property tax is levied on developed land or on undeveloped land situated in Italy. It's levied annually on owners, except where there is entitlement to permanent exemption or temporary exemption.</p> <p>The tax base is the cadastral income, proportional to the notional rental value regularly updated by the authorities.</p> <p>The tax is payable by the owner of the property at 1 January of the year of taxation.</p> <p>The amount of tax is calculated by multiplying the tax base by the rates voted by each beneficiary local authority for the year in question.</p> | | | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1"> <thead> <tr> <th>Taxpayer</th> <th>Deadlines (of the following year)</th> </tr> </thead> <tbody> <tr> <td>Residential individual</td> <td>30 November</td> </tr> <tr> <td>Non-residential individual</td> <td>30 November</td> </tr> <tr> <td>Companies</td> <td>30 November</td> </tr> </tbody> </table> | | Taxpayer | Deadlines (of the following year) | Residential individual | 30 November | Non-residential individual | 30 November | Companies | 30 November | | |
| Taxpayer | Deadlines (of the following year) | | | | | | | | | | | |
| Residential individual | 30 November | | | | | | | | | | | |
| Non-residential individual | 30 November | | | | | | | | | | | |
| Companies | 30 November | | | | | | | | | | | |
| 11. Double tax agreements | <p>Italy has signed 99 tax treaties to avoid double taxation.</p> <p>For information for each country, please visit :</p> <p>https://www.finanze.gov.it/opencms/it/fiscalita-comunitaria-e-internazionale/convenzioni-e-accordi/convenzioni-per-evitare-le-doppie-imposizioni/</p> | | | | | | | | | | | |



LIECHTENSTEIN

2022 TAX CARD (In Swiss Francs)

1. Basis of taxation

The Liechtenstein income tax year runs from 1 January to 31 December for individuals. For companies, the tax year corresponds to the accounting year.

Corporate Taxation: Tax liability - unlimited based on the place of residence or place of effective administration in Liechtenstein, or limited by domestic property or business establishment.

Individual Taxation: Personal tax liability - unlimited based on residence or habitual residence in Liechtenstein, or limited by domestic property or establishment.

2. Corporate tax

The corporate tax rate is 12.5% (article 61 of the SteG).

A minimum corporate tax is levied in the amount of CHF 1'800.00 (article 62 of the SteG). The tax is fully deductible against the corporate income tax.

However, small commercial entities (as defined by the law) are not subject to the minimum corporate income tax.

Under the Liechtenstein corporate income tax system, dividends distributed to resident and non-resident shareholders are not taxable.

3. Withholding tax rate (non-treaty)

| | Resident | Non-resident Individual/Corporation |
|-------------------------------|----------|-------------------------------------|
| Dividends | NA | NA |
| Interest | NA | NA |
| Royalties/know-how | NA | NA |
| Rents (for moveable property) | NA | NA |
| Management fees | NA | NA |
| Technical fees | NA | NA |
| Directors' fees | NA | 12% |

There is a withholding tax of 12% on payments for the remuneration of non-executive directors, i.e. persons who are only members of the supervisory board.

4. Resident individual tax rates (for financial years ending 31 December 2021)

Tax rate: 0% to 24% on the taxable income (depending on acquisition and community affiliation). There are different tax rates for single parents, married and other taxpayers. There is a state tax as well as a municipal tax. The tariff of the state tax proceeds progressively in eight stages with a top tariff level of 8%. The council tax is levied by means of a surcharge to the determined state tax. This supplement ranges from 150% to 250% of the state tax and is set annually by each municipality within this framework at its discretion.

| 5. Non-resident individual tax rates (for financial years ending 31 December 2021) | Tax rate: 4% to 19% on the taxable income (depending on earned income). There are different tax rates for single parents and married couples. A distinction is made between public and private employment as well as frontier workers and non frontier workers, taking into account the respective DTT agreements. | | | | | | | | | |
|--|---|---------------|--|------------|------------|-------------|---------------|------------|-----------|--------|
| 6. Goods and Services tax | VAT is levied at a rate of 2.5%, 3.7% and 7.7%. Entities have to register once turnover reaches CHF 100'000.00 (Swiss Francs 150,000 for non-profit entities). From 1 January 2018, companies domiciled abroad, who render supplies and services, regardless of turnover, must also register for VAT. | | | | | | | | | |
| 7. Estate duty | Liechtenstein does not have death or estate taxes. In exceptional circumstances, a deduction tax of 10.5% on the estate may apply. | | | | | | | | | |
| 8. Stamp duty | Public limited companies, limited liability companies and companies with shared capital, are the tax subject of the stamp duty. The stamp duty of 1.0% is due for a capital injection with an exemption limit of CHF 1 million. Deposits without a capital increase cannot benefit from the exemption threshold of CHF 1 million. | | | | | | | | | |
| 9. Property tax | The seller of a property situated in Liechtenstein has to pay a property profit tax on the property profit. The property profit equals the difference between the sales proceeds and investment costs. The tax rate is 0% to 24%. The recoveries are subject to income tax. | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1" data-bbox="424 1435 1460 1576"> <thead> <tr> <th>Types of Form</th> <th></th> <th>Deadlines*</th> </tr> </thead> <tbody> <tr> <td>Tax Return</td> <td>Individuals</td> <td>22 April 2022</td> </tr> <tr> <td>Tax Return</td> <td>Companies</td> <td>1 July</td> </tr> </tbody> </table> <p>*In certain cases, if the provisional tax liability has been settled, an extension of the deadline can be requested.</p> | Types of Form | | Deadlines* | Tax Return | Individuals | 22 April 2022 | Tax Return | Companies | 1 July |
| Types of Form | | Deadlines* | | | | | | | | |
| Tax Return | Individuals | 22 April 2022 | | | | | | | | |
| Tax Return | Companies | 1 July | | | | | | | | |
| 11. Double Tax agreements | Liechtenstein has signed 21 tax treaties to avoid double taxation For information for each country, please visit: https://www.llv.li/files/stv/int-uebersicht-dba-tiea-engl.pdf | | | | | | | | | |

NETHERLANDS

2022 TAX CARD (In Euros)

1. Basis of taxation

Income is taxed on a year basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their Dutch sourced income.

The main Dutch taxes could be divided into four categories:

1. taxes on income (personal income tax, wage tax and corporate income tax, withholding taxes);
2. taxes on expenditure (VAT);
3. taxes on assets (inheritance and gift tax, transfer tax ...);
4. local taxes (property tax, residence tax ...).

2. Taxes on income

Personal Income Tax:

Residents are subject to personal income tax in respect of their worldwide net income. Under the income tax regime, income is divided into three separate categories of income (the three boxes), each of which is governed by its own rules. An individual's taxable income is based on the aggregate income in these three boxes.

Box 1: (living and working) covers business and employment income and income from the main private residence. Regarding box 1, tax is calculated by applying a progressive tax rate schedule to taxable income.

In 2022, there are three tax brackets which operate as follows.

| Bracket | Euros | Income tax rate | Social security | Total |
|---------|-------------------------|-----------------|-----------------|--------|
| 1. | EUR 0,0 - EUR 35,471 | 9.42% | 27.65% | 37.07% |
| 2. | EUR 35,472 - EUR 69,398 | 37.07% | - | 37.07% |
| 3. | EUR 69,399 + | 49.50% | - | 49.50% |

For pension-age residents (in Dutch: AOW-gerechtigden) the three bands will operate as follows.

| Bracket | Euros | Income tax rate | Social security | Total |
|---------|-------------------------|-----------------|-----------------|--------|
| 1. | EUR 0.0 - EUR 35,471 | 9.42% | 9.75% | 19.17% |
| 2. | EUR 35,472 - EUR 69,398 | 37.07% | - | 37.07% |
| 3. | EUR 69,399 + | 49.50% | - | 49.50% |

2. Taxes on income (cont.)

As the overview above shows, in addition to personal income tax, Dutch social security contributions are paid at a rate of 27.65% (up to EUR 35,471 / bracket 1) or 9.75% for pension-age residents.

Box 1 also covers income from the primary residence. The deemed income from the primary residence depends on its value. Mortgage interest payments are tax deductible up to 30 years if certain conditions are met. Mortgages taken out on or after 1 January 2013 must, in principle, be fully repaid within a maximum period of 360 months based on an annuity or linear repayment scheme. If the income from the primary residence is negative (deemed income minus mortgage payments), this loss can be offset against other income covered by Box 1. A capital gain from the sale of a primary residency is not subject to income tax.

Box 1 also covers profits from business activities of individuals (non-corporate entities): sole proprietorship and partnerships. These partnerships are transparent i.e. for tax purposes every partner is considered to have his own one-man business. A substantial part of their profits is exempted from taxation if the conditions are met. The taxable profit can be reduced if there are deductible losses. The losses are initially offset against the profits from the previous 3 years (carry back). If this is not possible, the losses may be offset with future profits (carry forward), which is limited to 9 years. For buildings in business use, for tax purposes it is allowed to depreciate until 50% of the Valuation of Immovable Property (WOZ) value is reached.

Box 2: (substantial interest) includes income and gains from substantial interests in companies. A substantial interest means (options to) 5% or more of the shares or a profit right of 5% or more. Dividends and capital gains are taxed at a flat tax rate of 26.90%.

Box 3: (savings and investments) covers income from capital.

Flat tax rate

A flat tax rate of 31% is applicable on deemed income from savings and investments.

Deemed income

The deemed income depends on the total value of assets and liabilities on 1 January of the tax year. Certain goods for personal use (as a car for personal use) are not considered assets to include in the net capital in Box 3.

Capital gains from assets covered by Box 3 are not taxable because the deemed income is taxable and not the actual income or the actual gain. Thus, if actual income exceeds the deemed income, no tax is due on the excess. Conversely, there is no reduction in tax if actual income is less than the deemed income. The way in which income is computed under Box 3 means that interest (for example, in order to finance leased real estate) and other expenses (for example expenses incurred for the maintenance of real estate) are no longer relevant for tax purposes.

Tax-free capital threshold

The Dutch tax system entitles each resident in the Netherlands to a tax-free capital threshold of EUR 50,650 in 2022 and EUR 101,300 for fiscal partners.

**2.
Taxes on
income
(cont.)**
Tax base

So, the tax base in Box 3 = savings/investment amount minus liabilities and tax-free capital.

Calculation deemed income

A portion of the tax base is deemed to yield an income of -0.01% and another portion on income of 5.53%.

| Bracket | Savings/investment amount | Deemed income | | Average Deemed income |
|---------|---------------------------|---------------|-------|-----------------------|
| | | 0.01% | 5.53% | |
| 1 | EUR 0 - EUR 50,650 | 67% | 33% | 1.818% |
| 2 | EUR 50,651 - EUR 962,351 | 21% | 79% | 4.366% |
| 3 | EUR 962,351+ | 0% | 100% | 5.530% |

Example:

No fiscal partner.

Savings and investments (amount)

EUR 200,000

Liabilities

EUR 50,000 -/-

EUR 150,000

Tax-free capital threshold

EUR 50,650 -/-

Tax base

EUR 99,350

Bracket 1:

(EUR 50,650 x 67% =) EUR 33,935 x -0.01%
 x 33% =) EUR 16,715 x 5.53%

EUR - 4

EUR 924

EUR 920

Bracket 2:

(EUR 48,700 x 21% =) EUR 10,227 x -0.01%
 x 79% =) EUR 38,473 x 5.28%

EUR - 2

EUR 2,127

EUR 2,125

Deemed income:

EUR 3,045

Taxation (30% x EUR 3.210)

EUR 943

(Roundings may result in slight differences)

Restoration of rights

The Dutch Supreme Court in December 2021 held that the Box 3 tax regime for the years 2017-2022 was contrary to the European Convention on Human Rights (ECHR). On June 30, 2022 the Deputy Minister of Finance published the Policy Statement on the restoration of rights (to be referred to as: the policy statement). The policy statement sets out how rights will be restored in Box 3 and how the new Box 3 income will be calculated according to the "flat rate savings option". Below, we take a closer look at the policy statement.

Target group

In short, the policy statement applies to all taxpayers who benefited from savings and investment (Box 3 income) in the years 2017 through 2022 – or in one or more of those years – for whom the tax assessment is not yet irrevocable, was not yet irrevocable on December 24, 2021 or has not yet been imposed.

2. Taxes on income (cont.)

Calculating the new Box 3 income

According to the policy statement, the new Box 3 income will be calculated in four steps and for each calendar year separately.

Step 1 – splitting the assets and debts into three asset categories

In step 1 the taxpayer's assets and debts will be split into three categories. The composition of the assets on January 1 of the relevant year (the reference date) will be the basis for this. The three asset categories are:

1. **Bank balances** → defined as: bank and savings accounts (bank deposits) in the Netherlands and abroad.
2. **All other assets** → defined as: investments, endowment policies, cash, funds lent out and other receivables, entitlements to periodic payments and other assets.
3. **Debts.**

Step 2 – calculating the return (per asset category)

In step 2 the return per asset category will firstly be calculated. The return in a particular asset category will be calculated on the basis of flat rates of return, which will differ per year and per asset category. The flat rates of return per asset category are:

| | Asset category 1 | Asset category 2 | Asset category 3 |
|------|------------------|------------------|------------------|
| 2017 | 0.25% | 5.39% | 3.43% |
| 2018 | 0.12% | 5.38% | 3.20% |
| 2019 | 0.08% | 5.59% | 3.00% |
| 2020 | 0.04% | 5.28% | 2.74% |
| 2021 | 0.01% | 5.69% | 2.46% |
| 2022 | pending | pending | pending |

Once the return in each asset category has been calculated, the joint return will be determined. This is done by multiplying the assets in asset category 1 and asset category 2 by the applicable flat rate of return and adding these results together. That total must then be reduced by the result of: multiplying the debts in asset category 3 by the applicable flat rate of return.

Step 3 – calculating the rates of return

In step 3 the rate of return is calculated. This is done by dividing the joint return calculated in step 2 by: the sum of the assets in asset categories 1 and 2 less the debts in asset category 3.

Step 4 – calculating the new Box 3 income

The final "new Box 3 income" is calculated in step 4. This is done by multiplying the rate of return calculated in step 3 by: the sum of the assets in asset categories 1 and 2 less the debts in asset category 3 and less the tax-free amount.

If the newly calculated Box 3 income is less than the "old Box 3 income" (i.e. the Box 3 income according to current legislation and which the Supreme Court found to be contrary to the ECHR, then the Box 3 income will be set at the newly calculated Box 3 income. If the newly calculated Box 3 income is higher than the old Box 3 income, nothing will change.

**2.
Taxes on
income
(cont.)**

Reduction of tax assessment already imposed or imposition of pending tax assessments

Tax assessments already imposed

If a personal income tax assessment has already been imposed for a calendar year and if the newly calculated Box 3 income is less than the old Box 3 income, the tax inspector will reduce the tax assessment taking into account the difference between the new and the old Box 3 income.

Tax assessments still pending

If a personal income tax assessment still has to be imposed for a calendar year and if the newly calculated Box 3 income is less than the old Box 3 income, then the new Box 3 income will be included in the personal income tax assessment when it is imposed.

Legal protection

Taxpayers who do not agree with the restoration of rights offered or with the decision to not offer any restoration of rights may take action against this. The action they will have to take depends on their legal status.

Taxpayers:

1. who took part in the class action appeal; or
2. who did not take part in the class action appeal but for whom the final tax assessment was not yet irrevocable on December 24, 2021; or
3. on whom the final tax assessment was imposed after December 24, 2021 but before July 1, 2022, will have to request an ex officio reduction. Requests for an ex officio reduction that are (partially) rejected may be appealed by submitting a notice of objection with the tax inspector and filing an appeal with the courts.

Taxpayers for whom the final tax assessment had not yet been imposed on July 1, 2022 or for whom the deadline for submitting a notice of objection has not yet expired, may submit a notice of objection with the tax inspector within six weeks of the date of the final tax assessment, or request an ex officio reduction.

Wage Tax

Wage tax is payable by:

- persons resident in the Netherlands receiving a wage or salary from an employer established in the Netherlands for work they are doing or have done;
- persons resident abroad receiving a wage or salary from an employer established in the Netherlands for work they are doing or have done in the Netherlands;
- persons resident abroad who are members of the board of management or the supervisory board of a company established in the Netherlands for work they are doing or have done;
- persons resident abroad receiving a wage or salary from a Dutch public corporation for work they are doing or have done;

2. Taxes on income (cont.)

- non-resident artists and professional sportsmen who in accordance with an agreement of short duration or pursuance of any short term cause or reason to perform in the Netherlands;

except where the Netherlands has not been granted the right to collect taxes under an agreement to prevent double taxation.

Many persons pay only wage tax and are not subject to personal income tax. For persons with a high income or many tax-deductible items, the wage tax serves as an advance levy on personal income tax. The rates are progressive (see above: Box 1, the overview). Some costs can be deducted and tax free allowances can be provided.

Contributions by employers to qualifying employer pension schemes are not taxable. Contributions from employees to such schemes are in principle tax deductible, if an employer withholds these contributions. Pension benefits paid out under the scheme are, conversely, taxable. It is possible to request the Dutch Tax Authorities to consider the non-Dutch pension scheme as a qualifying pension scheme for a maximum period of 60 months if certain conditions are met (a period of 120 months under certain tax treaties).

The Netherlands has a special tax facility for expatriates working in the Netherlands. It is known as the 30% ruling. If the necessary requirements are met, the employer is allowed to grant a tax free allowance up to 30% of the remuneration subject to Dutch wage tax. This allowance is considered to be a compensation for extra territorial expenses an expatriate incurs when working in a foreign country. In addition, an employer may reimburse the fees for his employee's children to attend an international school (or international department of a local school) tax-free. The maximum period for which the 30% ruling is granted is 5 years. If the 30% ruling has been granted, most expats will not have to deal with Box 2 and Box 3. In case the social security coverage of the expatriate's homeland applies (i.e. he is not subject to Dutch social security), no Dutch social contributions are due.

Corporate Income Tax

A private or public limited company (B.V. or N.V.) pays corporate income tax (CIT) on the taxable profit in a single financial year.

| Bracket | Euro | CIT |
|---------|-------------|--------|
| 1. | 0 - 395,000 | 15.00% |
| 2. | 395,001+ | 25.80% |

The taxable profit can be reduced if the company has any deductible losses. The company may offset losses initially against the profit from the preceding financial year (carry back) and subsequently against taxable profits of all following years (carry forward). The latter also applies, in principle, to any loss set-off still available in 2022. However, not all taxable profit is available for loss set-off. Insofar as the taxable profit exceeds EUR 1 million, only 50% is available for loss set-off. For example, for an entity with a taxable profit of EUR 1.8 million, only EUR 1.4 million will be available (EUR 1 million + 50% of EUR 800,000).

2. Taxes on income (cont.)

If the company's activities are innovative and the company is making a profit then the company may be able to put the profit from these activities in a special tariff box on its corporate income tax return: the innovation box. In that case the company pays less tax. It is conditional that the company has a (foreign) patent or applies for the R&D payroll tax allowance (WBSO).

Companies are no longer allowed to use buildings in company use for depreciation in their corporate income tax return, unless these buildings are in the company books for a value that exceeds the Valuation of Immovable Property (WOZ) value. This brings this measure into line with the regulation for buildings used as investment property.

Withholding Taxes

The Netherlands levies withholding tax (WHT) on dividends from Dutch companies, not on interests or royalty payments.

Dividends from Dutch companies are generally subject to a 15% Dutch dividend WHT. In some cases the WHT rate is lower, due to tax treaties it could be 5% or even 0%.

Subject to meeting the conditions for the participation exemption, a Dutch company or branch of a foreign company is exempt from Dutch tax - such as WHT on dividends - on all benefits connected with a qualifying shareholding, including cash dividends, dividends in kind, bonus shares, hidden profit distributions, capital gains and currency exchange results.

Within the framework of tackling international tax avoidance, a tax at source was introduced on 1 January 2021 on interest and royalty payments to affiliated entities in countries with very low taxes, countries on the EU-list of non-cooperative jurisdictions and in certain tax abuse situations.

3. Taxes on expenditure - VAT

The value added tax system (VAT) in the Netherlands corresponds with that used by all other EU-states. VAT is a general consumption tax levied on goods supplied and services provided in the Netherlands.

Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer.

VAT is finally borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer etc.) collects the tax provided from the customer and pays it on to his local tax office minus the VAT on inputs paid to his own supplier. If an exemption applies, VAT payments are not deductible.

The VAT rates in the Netherlands:

- standard rate 21% (input tax deductible)
- reduced rates:
 - a. certain goods and services, as: food, water,
repairment of bicycles 9% (input tax deductible)

| 3. Taxes on expenditure - VAT (cont.) | <ul style="list-style-type: none"> b. certain goods and services, as: export of goods to non-EU countries, international passenger transport 0% (input tax deductible) • exemption: certain goods and services, as: investment gold, real estate, health care, education, (input tax not deductible) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|-------------------|-------------|------------------|---------|----------------------------|--------|----------------------------|--|---------|--------|------------|-------|------------------------------|--|-------------------------------|--|----------------|-----|-------------|-----|---------------|--|----------------|-----|-------------|-----|------------|--|----------------|-----|-------------|-----|
| 4. Taxes on assets | <p>Inheritance Tax</p> <p>Inheritance tax has to be paid on any inheritance heirs receives. An inheritance consists of the net estate left by a deceased person. This is the value of all moveable and fixed assets minus outstanding debts and funeral costs. The assets include: (1) all gifts donated within 180 days before death and (2) proceeds of a life insurance, if law obliges the deceased to contribute to such insurance.</p> <p>Part of the inheritance is exempt from tax. The precise amount depends on the heir's relationship to the deceased person. The inheritance tax has to be paid on the amount exceeding the exemption.</p> <table border="0"> <thead> <tr> <th><i>Exemptions</i></th> <th><i>Euro</i></th> </tr> </thead> <tbody> <tr> <td>Spouse / partner</td> <td>680,645</td> </tr> <tr> <td>Children and grandchildren</td> <td>21,559</td> </tr> <tr> <td>Sick and disabled children</td> <td>64,666 (specific conditions to be met)</td> </tr> <tr> <td>Parents</td> <td>51,053</td> </tr> <tr> <td>All others</td> <td>2,274</td> </tr> </tbody> </table> <table border="0"> <thead> <tr> <th colspan="2"><i>Inheritance tax rates</i></th> </tr> </thead> <tbody> <tr> <td colspan="2">Spouse / partner and children</td> </tr> <tr> <td>a. 0 – 130,424</td> <td>10%</td> </tr> <tr> <td>b. 130,425+</td> <td>20%</td> </tr> <tr> <td colspan="2">Grandchildren</td> </tr> <tr> <td>a. 0 – 130,424</td> <td>18%</td> </tr> <tr> <td>b. 130,425+</td> <td>36%</td> </tr> <tr> <td colspan="2">All others</td> </tr> <tr> <td>a. 0 – 130,424</td> <td>30%</td> </tr> <tr> <td>b. 130,425+</td> <td>40%</td> </tr> </tbody> </table> <p>If a business is inherited, inheritance tax has to be paid on its value. If the heir continues to run the business, the heir could qualify for the business succession scheme and pay less or no inheritance tax.</p> <p>Charities and social welfare community organizations are exempted from inheritance tax in the Netherlands.</p> <p>Certain foreign nationals will be subject to double taxation, meaning they are liable to pay taxes in the Netherlands and their home country. With several countries, the Netherlands has concluded tax treaties to avoid double taxation.</p> | <i>Exemptions</i> | <i>Euro</i> | Spouse / partner | 680,645 | Children and grandchildren | 21,559 | Sick and disabled children | 64,666 (specific conditions to be met) | Parents | 51,053 | All others | 2,274 | <i>Inheritance tax rates</i> | | Spouse / partner and children | | a. 0 – 130,424 | 10% | b. 130,425+ | 20% | Grandchildren | | a. 0 – 130,424 | 18% | b. 130,425+ | 36% | All others | | a. 0 – 130,424 | 30% | b. 130,425+ | 40% |
| <i>Exemptions</i> | <i>Euro</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Spouse / partner | 680,645 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Children and grandchildren | 21,559 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sick and disabled children | 64,666 (specific conditions to be met) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Parents | 51,053 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All others | 2,274 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Inheritance tax rates</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Spouse / partner and children | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a. 0 – 130,424 | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b. 130,425+ | 20% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Grandchildren | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a. 0 – 130,424 | 18% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b. 130,425+ | 36% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All others | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| a. 0 – 130,424 | 30% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| b. 130,425+ | 40% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

**4.
Taxes on
expenditure -
VAT
(cont.)**

Gift Tax

Gift tax is levied on the value of anything accepted as a gift from a resident in the Netherlands.

Exemptions

| | <i>Euro</i> |
|--|-------------|
| • Annual donations to your children | 5,677 |
| • A one-time donation to your child in the age of 18 – 40: | |
| a. free disposable | 27,231 |
| b. expensive study | 56,724 |
| • A one-time donation to your child in the age of 18 – 40 to be spent on a their privately owned primary residence | 106,671 |
| • Annual donations to other recipients | 2,274 |

Gift tax rates

The gift tax rates and brackets are the same as for the inheritance tax.

If a business is donated, gift tax has to be paid on its value. If the beneficiary continues to run the business, he could qualify for the business succession scheme (also applicable to gifts) and pays less or no gift tax.

Charities and social welfare community organizations are exempted from gift tax in the Netherlands.

Transfer tax (real estate)

Transfer tax is levied on the transfer of:

- property (for example a house, building or land)
- rights to property (for example building lease)
- shares in a “real estate legal entity” (B.V., N.V.) or participation in a partnership which possessions exist mostly of real estate.

The Dutch Tax Department uses two tax rates. The tax rate of 2% applies to houses and associated appurtenances. The tax rate of 8% applies to all other property.

**5.
Tax
Agreements
/ double
taxation
(avoidance)
decree**

To avoid that income or capital is taxed more than once, the Netherlands has concluded tax treaties with a considerable number of countries.

In the event the Netherlands has not concluded a tax treaty with the country concerned, the Double Taxation (Avoidance) Decree (2001) applies. Application of this Decree will also result in the avoidance of double taxation.

Tax treaties do not include any rules for the levy of national insurance contributions. Other (international) rules apply to this.

With regard to the avoidance of double inheritance and gift tax, separate tax treaties have been concluded. If, in a certain case, there is no such tax treaty, application of the Double Taxation (Avoidance) Decree may prevent double taxation.

POLAND

2022 TAX CARD (In POLISH ZLOTYS)

1. Basis of taxation

Income taxes:

- tax-residents individuals and corporations are taxed on their worldwide income;
- non-residents individuals and corporations are taxed on their Polish income;
- the standard income tax year runs from January 1 to December 31. However, the tax year of corporations matches their statutory year.

Other main taxes are VAT, inheritance and gifts tax (estate duty), stamp duty and real estate local tax.

2. Corporate tax

Polish resident companies are taxed on their worldwide income. Non-residents companies are taxed on certain income sourced in Poland.

The following tax rates apply to companies:

- 19% - standard flat rate;
- 9% - flat rate for companies where gross sales in the current year did not exceed EUR 2,0 million and their gross sales in the previous year did not exceed EUR 2,0 million; 9% rate doesn't apply to capital gains.

Income obtained from qualified intellectual property rights might be taxed on special terms with a 5% rate (so-called IP Box).

There is special way of taxation of income from real estate (excluding some residential buildings which are being rented within public social schemes) which initial book value exceeds PLN 10 million (so-called minimum income tax). Owners of such estate have to pay a tax of 0,035% in excess of above PLN 10 million of book value of real estate per month.

Generally, excluding some kinds of agricultural production, farming is not subject to income tax. There is a special agricultural tax for farming activities.

Apart from the corporate income tax, financial institutions in Poland also pay special tax based on the value of assets.

Since 2019, as the result of the implementation of EU Anti-Tax Avoidance Directive (2016/1164), a special tax on income from unrealized gains is in force in Poland (so-called exit tax). It is applicable in case of transferring of assets abroad or changing of tax residence. The tax rate is 19%.

As of January 1, 2022, entities that in the tax year:

- 1) incurred a loss from a source of income other than capital gains, or
 - 2) achieved taxable income in the amount of not more than 1% of the total turnover (other than from capital gains)
- are obliged to pay an additional tax liability in the amount of 10% of the tax base (so-called minimum corporate income tax).

3. Withholding tax rate (non-treaty)

| | Individuals | Corporation |
|-------------------------------|-------------|-------------|
| Dividends | 19% | 19% |
| Interest | 19% | 20% |
| Royalties/know-how | 20% | 20% |
| Rents (for moveable property) | 20% | 20% |
| Management fees | 20% | 20% |
| Technical fees | 20% | 20% |
| Directors' fees | 20% | 20% |

4. Resident individual tax rates

| Taxable Income (PLN) | Tax Payable (PLN) |
|----------------------|--|
| 0-30,000 | Nil |
| 30,000-120,000 | 17% minus the tax reduction in the amount of PLN 5,100; From July 1, 2022, it is planned to reduce the tax rate in the first threshold, from 17% to 12%. Tax payable will be probably: 12 % without the tax reduction. The change has not been passed yet. |
| 120,000 and over | PLN 15,300 + 32% of excess over PLN 120,000 From July 1, 2022 it will be probably: PLN 10,800 + 32% of excess over PLN 120,000 |

Individuals under 26 years with annual incomes not exceeding PLN 85.528 pay no income tax.

Individuals running business activity may choose special rules of taxation with 19% flat tax rate.

Individuals who obtain in a tax year income exceeding PLN 1 million also pay solidarity tax. The rate of solidarity tax is 4%. It applies to the excess of income over PLN 1 million per tax year.

There are optional tax schemes for individuals running small businesses or renting property.

Since 2019, as the result of the implementation of EU Anti-Tax Avoidance Directive (2016/1164), a special tax on income from unrealized is in force in Poland (so-called exit tax). It is applicable in case of transferring assets abroad or changing of tax residence. The tax rate of exit tax is 19% or 3%.

5. Non-resident individual tax rates

| Taxable Income (PLN) | Tax Payable (PLN) |
|--------------------------|--|
| EUR 0 – EUR 30.000 | Nil |
| EUR 30,000 – EUR 120,000 | 17% minus the tax reduction in the amount of PLN 5,100 |
| EUR 120,000 and over | PLN 15,300 + 32% of excess over PLN 120,000 |

20% flat rate for income of Board members with place of residence outside Poland.

| 6. Goods and services tax | <p>The threshold for mandatory VAT registration is sales turnover of PLN 200 000 in current and preceding year.</p> <p>The standard rate of VAT tax is 23%. The reduced rates are 8%, 5% or 0%.</p> <p>VAT rules in Poland are based on EU regulations and should comply with them.</p> | | | | | | | | | | | | |
|--|---|--|--|-----------|--------------------------|-------------|----------|--------------------------|-----------|---|--------------------------|--------------|--|
| 7. Estate duty | <p>Estate duty applies to inheritances and gifts received by individuals. Tax rates vary from 3% to 20% depending on the relationship between the receiver and the person from whom the inheritance or gift is received.</p> <p>Inheritance and gifts between close family (spouses, descendants, ancestors, siblings, stepchildren, stepparents) are exempted from tax- 6 months deadline to declare.</p> | | | | | | | | | | | | |
| 8. Stamp duty | <p>Some transactions are subject of civil transaction tax (e.g. sale of assets or rights, exchange of assets or rights, loans, mortgage, articles of association of company).</p> <p>The tax rates vary from 0,5% to 2% depending on the kind of transaction. Civil transaction tax doesn't apply to transactions taxed with VAT.</p> | | | | | | | | | | | | |
| 9. Property tax | <p>Real property tax is levied by the local authorities. It is based either on the area of land/building or their value in the tax books, depending on the kind of property.</p> <p>If taxation is based on the value of a property, the tax rate is 2%. If taxation is based on the area of land/building, the tax rates vary from 0,54 PLN/m² to 25,74 PLN/m² per year, depending on the kind of property and its use.</p> | | | | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1" data-bbox="422 1323 1461 1655"> <thead> <tr> <th data-bbox="422 1323 764 1375">Types of Form</th> <th data-bbox="764 1323 984 1375"></th> <th data-bbox="984 1323 1461 1375">Deadlines</th> </tr> </thead> <tbody> <tr> <td data-bbox="422 1375 764 1420">Annual Income Tax Return</td> <td data-bbox="764 1375 984 1420">Individuals</td> <td data-bbox="984 1375 1461 1420">30 April</td> </tr> <tr> <td data-bbox="422 1420 764 1494">Annual Income Tax Return</td> <td data-bbox="764 1420 984 1494">Companies</td> <td data-bbox="984 1420 1461 1494">The end of the third month following the tax year</td> </tr> <tr> <td data-bbox="422 1494 764 1655">Annual Income Tax Return</td> <td data-bbox="764 1494 984 1655">Partnerships</td> <td data-bbox="984 1494 1461 1655">Only joint-stock partnership is obliged to file an income tax return by the end of the third month following the tax year. Other partnerships are tax transparent and don't file income tax returns.</td> </tr> </tbody> </table> <p>TPR – C – Transfer pricing information – until 30 September.</p> | Types of Form | | Deadlines | Annual Income Tax Return | Individuals | 30 April | Annual Income Tax Return | Companies | The end of the third month following the tax year | Annual Income Tax Return | Partnerships | Only joint-stock partnership is obliged to file an income tax return by the end of the third month following the tax year. Other partnerships are tax transparent and don't file income tax returns. |
| Types of Form | | Deadlines | | | | | | | | | | | |
| Annual Income Tax Return | Individuals | 30 April | | | | | | | | | | | |
| Annual Income Tax Return | Companies | The end of the third month following the tax year | | | | | | | | | | | |
| Annual Income Tax Return | Partnerships | Only joint-stock partnership is obliged to file an income tax return by the end of the third month following the tax year. Other partnerships are tax transparent and don't file income tax returns. | | | | | | | | | | | |

11. Double Tax Agreements

There are 90 tax treaties signed by Poland with foreign countries regarding avoidance of double taxation.

Poland also signed and ratified Multilateral Instrument to Modify Bilateral Tax Treaties (so-called MLI Convention). Poland notified 46 tax treaties to be covered by the MLI Convention. So far MLI Convention applies to tax treaties with Australia, Austria, Azerbaijan, Belgium, Canada, Denmark, Finland, France, India, Ireland, Iceland, Israel, Japan, Lithuania, Luxembourg, Latvia, Malta, New Zealand, Norway, Serbia, Singapore, Slovakia, Slovenia, Ukraine, United Kingdom and United Arab Emirates.



Updated: June 2022

Firm: JRD Tax Sp. z o.o.
Contact: Tomasz Paszkowski | tomasz.paszkowski@jrd.pl
(+48) 22 654 02 14

PORTUGAL

2022 TAX CARD (In Euros)

1. Basis of taxation

The Portuguese income tax year runs from 1 January to 31 December. There are two fundamental platforms determining liability to Portuguese tax, commonly known as the source rule and residence rule.

The source jurisdiction of taxation means that Portugal taxes non-resident individuals and corporations on income arising to them from sources within Portugal only. The residence jurisdiction involves the taxation of Portugal's resident individuals and corporations on income arising both in foreign countries and Portugal itself. Residents of Portugal are subject to Portuguese tax on their worldwide income.

2. Corporate tax

A Portuguese resident company is subject to company tax, a non-resident company is taxed on its Portuguese source income at a different rate from a resident company. For a resident company the tax rate applicable is 21% and for a nonresident company is 25%. Plus Municipal Tax (tax rates between 0% – 1,5%).

For a PME (small and medium-sized company) the tax rate applicable until EUR 25.000 of profit is 17% and 21% for remaining profit.

3. Withholding tax rate (non-treaty)

| | Resident Individual | Non-resident Individual | |
|--------------------|---------------------|---------------------------------|----------|
| | | With International Tax Treaties | Standard |
| Dividends | 28% ^(a) | 5%-15% | 28% |
| Interest | 28% | 5%- 15% | 28% |
| Royalties/know-how | 16.5% | 5%-15% | 25% |
| Rents | 25% | - | 25% |
| Capital Gains | 28% | - | 28% |
| Management fees | NA | NA | NA |
| Technical fees | NA | NA | NA |
| Directors' fees | NA | NA | NA |

(a) If individual opts to include dividends in income tax statement only consider 50% of income

| | Resident Corporations | | Non-resident Corporations | | |
|------------------------|-----------------------|-----------------------------|---------------------------------|--------------------------|-----------------------------|
| | Standard | Participation Exemption (1) | With International Tax Treaties | Standard | Participation Exemption (1) |
| Dividends | 25% | 0% | 5% - 15% | 25% | 0% |
| Interest | 25% | 0% ⁽²⁾ | 5% - 15% | 25% 35% for offshores | 0% ⁽²⁾ |
| Royalties/ know-how | 25% | 0% ⁽³⁾ | 5% - 15% | 25% | 0% ⁽³⁾ |

3. Withholding tax rate (non-treaty) (cont.)

| | Resident Corporations | | Non-resident Corporations | | |
|-----------------|-----------------------|-----------------------------|---------------------------------|----------|-----------------------------|
| | Standard | Participation Exemption (1) | With International Tax Treaties | Standard | Participation Exemption (1) |
| Rents | 25% | - | - | 25% | - |
| Capital Gains | 21% | 0% ⁽⁵⁾ | - | - | 0% ⁽⁴⁾ |
| Technical fees | NA | NA | NA | NA | NA |
| Directors' fees | NA | NA | NA | NA | NA |

⁽¹⁾ Tax exemption: shareholding → or = 10% and owned more than 1 year.

⁽²⁾ Under the directive 2003/49/CEE.

⁽³⁾ Under the directive 2003/49/CEE.

⁽⁴⁾ Only if the foreign shareholder is not resident in a tax haven country and if the total assets of Portuguese company have no more than 50% of buildings.

⁽⁵⁾ If total assets of Portuguese company have no more than 50% of buildings.

4. Resident individual tax rates

(1 January - 31 December 2022)

| Taxable Income | Tax Payable | |
|-------------------------|-------------|---------|
| | Standard | Average |
| EUR 0 – EUR 7,116 | 14.50% | 14.50% |
| EUR 7,116 – EUR 10,736 | 23.00% | 17.37% |
| EUR 10,736 – EUR 15,216 | 26.50% | 20.06% |
| EUR 15,216 – EUR 19,696 | 28.50% | 21.98% |
| EUR 19,696 – EUR 25,076 | 35.00% | 24.77% |
| EUR 25,076 – EUR 36,757 | 37.50% | 28.66% |
| EUR 36,757 – EUR 48,033 | 43.50% | 32.00% |
| EUR 48,033 – EUR 75,009 | 45.00% | 36.77% |
| EUR 75,009 and over | 48.00% | - |

| Additional Solidarity Tax Rate | |
|--------------------------------|------|
| Plus 80.000 until 250.000 | 2.5% |
| Plus 250.000 | 5% |

5. Value added tax

| VAT Rates | | |
|--------------------|--------|----------------------------------|
| Standard Rate | 23.00% | 16% in Azores and 22% in Madeira |
| Reduced Rate | 13.00% | 9% in Azores and 12% in Madeira |
| Super Reduced Rate | 6.00% | 4% in Azores and 5% in Madeira |

If the distance selling to individuals exceed the threshold (35.000 of annual turnover), the company must obtain a Portuguese VAT number and charge the Portuguese VAT.

| 6. Inheritance Tax | <p>The inheritance tax rate, named as stamp tax, is fixed on 10% over the total amount of assets. Spouse, children or ascendants are tax exempt.</p> <p>Heirs must present before tax authorities a list of the inherited assets.</p> | | | | | | | | | | | | | | | | | | | | |
|--|--|----------|-------|----------------|---------------|----------------|------|---|------|-------------|-------|----------------|----|---|------|--|-----|--|-----------|---|-----------|
| 7. Stamp duty | <p>Stamp duty is due on accts, contracts, documents, titles, books, papers and other facts foreseen in the General Table, which occur in Portugal and are not subject or exempt from VAT.</p> <p>Onerous acquisition or donation of property (0,8%), letting or sub letting (10%), use of credit (0,04%-0,6%), consumer's credit (0,141%-1,76%), interest (4%), commission for given guarantees (3%), other commission for financial services (4%), are some examples where stamp duty is applied.</p> | | | | | | | | | | | | | | | | | | | | |
| 8. Property tax and Property transfer tax | <p>IMI (Imposto Municipal sobre Imóveis) is computed on the tax registration value of urban and rural properties located in Portuguese territory. It is due by the owner, the usufructuary, or the holder of the surface right of a property with reference to 31 December of the year that it concerns.</p> <p>The tax registration value is determined by means of valuation, based on the type of property.</p> <table border="1" data-bbox="424 1081 1457 1265"> <thead> <tr> <th>Property</th> <th>Rates</th> </tr> </thead> <tbody> <tr> <td>Urban property</td> <td>0.3% to 0.45%</td> </tr> <tr> <td>Rural property</td> <td>0.8%</td> </tr> <tr> <td>Property owned by residents in offshores (except individuals)</td> <td>7.5%</td> </tr> </tbody> </table> <p>IMT (Imposto Municipal sobre a Transmissão Onerosa de Imóveis) is a municipal tax levied on onerous transmissions of real estate located in Portuguese territory. It is due by the acquirer.</p> <table border="1" data-bbox="424 1440 1457 1771"> <thead> <tr> <th>Description</th> <th>Rates</th> </tr> </thead> <tbody> <tr> <td>Rural property</td> <td>5%</td> </tr> <tr> <td>Other urban properties and other onerous acquisitions</td> <td>6.5%</td> </tr> <tr> <td>The acquirer is a tax resident in an offshore (except individuals)</td> <td>10%</td> </tr> <tr> <td>Urban property or autonomous fraction of urban property exclusively intended to a permanent place of residence</td> <td>0% - 7.5%</td> </tr> <tr> <td>Urban property or autonomous fraction of urban property exclusively intended to residence (non-permanent)</td> <td>1% - 7.5%</td> </tr> </tbody> </table> | Property | Rates | Urban property | 0.3% to 0.45% | Rural property | 0.8% | Property owned by residents in offshores (except individuals) | 7.5% | Description | Rates | Rural property | 5% | Other urban properties and other onerous acquisitions | 6.5% | The acquirer is a tax resident in an offshore (except individuals) | 10% | Urban property or autonomous fraction of urban property exclusively intended to a permanent place of residence | 0% - 7.5% | Urban property or autonomous fraction of urban property exclusively intended to residence (non-permanent) | 1% - 7.5% |
| Property | Rates | | | | | | | | | | | | | | | | | | | | |
| Urban property | 0.3% to 0.45% | | | | | | | | | | | | | | | | | | | | |
| Rural property | 0.8% | | | | | | | | | | | | | | | | | | | | |
| Property owned by residents in offshores (except individuals) | 7.5% | | | | | | | | | | | | | | | | | | | | |
| Description | Rates | | | | | | | | | | | | | | | | | | | | |
| Rural property | 5% | | | | | | | | | | | | | | | | | | | | |
| Other urban properties and other onerous acquisitions | 6.5% | | | | | | | | | | | | | | | | | | | | |
| The acquirer is a tax resident in an offshore (except individuals) | 10% | | | | | | | | | | | | | | | | | | | | |
| Urban property or autonomous fraction of urban property exclusively intended to a permanent place of residence | 0% - 7.5% | | | | | | | | | | | | | | | | | | | | |
| Urban property or autonomous fraction of urban property exclusively intended to residence (non-permanent) | 1% - 7.5% | | | | | | | | | | | | | | | | | | | | |

| 9. Income tax filing deadlines | Types of Form | | Deadlines* |
|---------------------------------------|--|---|--|
| | Tax Return | Individuals | 30 June |
| | Tax Return | Companies | 31 May |
| | Tax Return | Partnerships (Special Tax Regime of Group Taxation - RETGS) | 31 May |
| | Annual declaration (IES) | Companies | 15 July |
| | Annual declaration (IES) | Partnerships | 15 July |
| | Periodic VAT Returns | If Annual Turnover > or = EUR 650.000 | monthly until the 10th of the second following month |
| If Annual Turnover > EUR 650.000 | | quarterly, until the 15th of the second following month | |
| 10. Double tax agreements | Portugal has 77 international tax treaties in force (plus 2 already signed) with foreign countries to avoid double taxation. | | |



Updated: June 2022

Firm: Auditum Associados
Contact: Eduarda Costa | ecosta@auditum.pt
 (+351 21) 322 3780

ROMANIA

2022 TAX CARD (in Euros)

1. Basis of taxation

The Romanian fiscal year runs from the 1 January to 31 December. The Romanian tax system is divided into two main categories: company taxation and individual taxation.

Also, there are two fundamental platforms determining liability to tax, commonly known as the source rule and residence rule. The source jurisdiction of taxation means that Romania taxes non-resident individuals and corporations on income arising to them from sources within Romania only. The residence jurisdiction involves the taxation of Romania's resident individuals and corporations on income arising both in foreign countries and Romania itself. Residents of Romania are subject to Romanian tax on their worldwide income.

The Romanian company taxation system known as corporate income tax is applicable to Romanian companies, foreign companies controlled from Romania for their worldwide income but also for foreign companies with income assigned to a permanent establishment in Romania. Also for newly founded Romanian companies or companies below the 1.000.000 euro income/year threshold, there is a special taxation system called a micro-enterprise tax. The individual taxation for residents consist of income obtained in Romania or world-wide, from professional activity, intellectual property, salary, rental, investment etc.

2. Corporate tax

A Romanian resident company is subject to corporate income tax or micro-enterprise tax, a non-resident company is taxed on its Romanian source income at the same rate as a resident company payer of corporate income tax. The following tax rates apply to companies.

| Year | Annual turnover threshold | Entities above the threshold | Entities below the threshold with at least one employee | Entities below the threshold with no employees |
|------|---------------------------|------------------------------|---|--|
| 2022 | 1.000.000 EURO | 16% on profit | 1% on revenue | 3% on revenue |

3. Withholding tax rate (non-treaty)

| | Resident Individual/ Corporation | Non-resident with no convention regarding the exchange of information Individual/Corporation |
|-------------------------------|----------------------------------|--|
| Dividends | 5%/NA | 5% |
| Interest | 10%/NA | 10%/16% |
| Royalties/know-how | 10%/NA | 10%/16% |
| Rents (for moveable property) | NA | NA |
| Management fees | 10%/NA | 10%/16% |
| Technical fees | 10%/NA | 10%/16% |
| Directors' fees | 10%/NA | 10%/16% |

4. Resident individual taxes rates

The income tax rate applicable to resident individuals is 10% except for dividends for which the tax rate is 5%.

| 5. Non-resident individual tax rates | <p>The income tax rate applicable to non-resident individuals is the same as for resident individuals.</p> | | | | | | | | | | | | |
|---|---|---------------|--|--|------------|-------------|----------|------------|-----------|------------|------------|--------------------------|---------------|
| 6. Value added tax | <p>The standard VAT rate is equal to 19% and is to be applied to the tax base for any taxable operation that is not exempt from tax or that is not subject to the reduced rates.</p> <p>The 9% reduced rate is applicable for supplies of medical devices, medicines, food, non-alcoholic drinks, water and agriculture goods and services. The 5% reduced rate is applied to the delivery of books, newspapers, school manuals, admissions to cultural events, museums, concerts, sports events, cinemas and for certain deliveries of houses; hotel, accommodation, restaurant and catering services.</p> <p>Romanian VAT regulation is in accordance with 112/2006/CE VAT Directive.</p> | | | | | | | | | | | | |
| 7. Inheritance tax | <p>Inheritance Tax is not applicable if procedures are completed within two years. After this, there is a 1% tax.</p> | | | | | | | | | | | | |
| 8. Immovable property transfer tax | <p>Immovable property transfer tax is 3% of the value of the property after the deduction of the non-taxable sum of 100.000 euro.</p> | | | | | | | | | | | | |
| 9. Property tax | <p>Romanian property tax is calculated according to the destination of the property (residential, non-residential or mix destination), year of completion, area and the rank of the town, the building utilities and type. Local administrative councils establish the property tax rates between 0.08% - 0.2% for residential and 0.2% - 1.3% for non-residential properties on the value of the property. Companies must evaluate the value of the property every five years otherwise a 5% tax rate is applied to the value of the property.</p> | | | | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1" data-bbox="422 1525 1495 1704"> <thead> <tr> <th colspan="3">Type of form</th> </tr> </thead> <tbody> <tr> <td>Tax Return</td> <td>Individuals</td> <td>25th May</td> </tr> <tr> <td>Tax Return</td> <td>Companies</td> <td>25th March</td> </tr> <tr> <td>Tax Return</td> <td>Non-profit organisations</td> <td>25th February</td> </tr> </tbody> </table> <p>* For corporate income tax arising in fiscal years 2021-2025 tax filing and payment deadlines were postponed to 25th June of the following year.</p> | Type of form | | | Tax Return | Individuals | 25th May | Tax Return | Companies | 25th March | Tax Return | Non-profit organisations | 25th February |
| Type of form | | | | | | | | | | | | | |
| Tax Return | Individuals | 25th May | | | | | | | | | | | |
| Tax Return | Companies | 25th March | | | | | | | | | | | |
| Tax Return | Non-profit organisations | 25th February | | | | | | | | | | | |
| 11. Double tax agreements | <p>87 double taxation treaties were signed between Romania and other countries in order to eliminate the double taxation. These agreements override domestic legislation where the same income is taxed in both countries. https://static.anaf.ro/static/10/Anaf/AsistentaContribuabili_r/Conventii/Conventii.htm</p> <p>In January 2022, Romania deposited its instrument of ratification for the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting which will enter into force on 1 June 2022.</p> | | | | | | | | | | | | |

Updated: June 2022



Firm: Mara International Consults S.R.L.
Contact: Craita Nicula | craitanicula@maracconsult.ro | (+40 25) 725 6359

SLOVENIA

2022 TAX CARD (in Euros)

1. Basis of taxation

The liability to Slovene income tax is determined by the tax residence status and the source of income. The Slovenian tax residents are taxed on their worldwide income. The tax non-residents are taxed only on income derived in Slovenia (Slovene sourced income).

A company is a resident if its seat or place of effective management is considered in Slovenia. An individual is treated as resident if he fulfils at least one of the criteria laid down by the legislation. This is usually fulfilled if he has his permanent residence or habitual abode (centre of vital interest) in Slovenia or is physically present for at least 183 days in any period in a tax year in Slovenia.

2. Corporate tax

The tax period can be a calendar year or a financial year.

Corporate income tax is levied on the taxable profit at a rate of 19%.

A special rate of 0% applies under certain conditions to investment funds, pension funds and insurance undertakings for pension plans. As of 1.1.2013, there is an optional flat-rate taxation regime. In accordance with this flat-rate regime, the tax base is determined on the basis of lump-sum costs accounting for 80% of income. Tax losses carried forward from previous years may be used only up to 50% of the tax base.

A research and development (R&D) investment allowance is represented as a deduction from the tax base of 100% of the amount invested in qualified internal R&D activities and purchase of R&D services. There is also an investment tax allowance – a deduction from the tax base of 40% of the amount invested in qualified equipment and intangibles. Additional tax allowances are available under certain conditions. Since 1.1.2020, deductions from allowances and tax losses carried forward together can only deduct tax base for 63%. This results in a minimal effective tax rate of 7,03%.

Thin cap rules are in force in Slovenia. Interest on loans is not deductible if the loan is received from certain related parties (for example a shareholder who directly or indirectly owns at least 25% of the equity capital or voting rights) and the loan exceeds a debt-to-equity ratio of 4:1 at any time during the tax period. Interest on loans exceeding the 4:1 debt-to-equity ratio is usually deemed to be hidden profit distribution. It is possible to defend tax deductibility of such interest if the taxpayer can demonstrate such a loan would have been granted by an unrelated third party.

3. Withholding tax rate (non-treaty)

| Taxable Income EUR | Tax Payable EUR |
|---|-----------------|
| Dividends | 15% |
| Interest | 15% |
| Royalties | 15% |
| Know-how | 15% |
| Lease payments (for real estate located in Slovenia) | 15% |
| Payments for services by performing artists or athletes, if the recipient of the payments is another person | 15% |
| Fees paid for advisory services, marketing, market analysis, HR, administrative, IT and legal services, if paid to persons resident outside EU and in a blacklisted country (list published by the Ministry of Finance) | 15% |

4. Resident individual tax rates

Personal income tax brackets for 2022

| Taxable income bracket | | Total tax on income below bracket | Tax rate on income in bracket |
|------------------------|--------|-----------------------------------|-------------------------------|
| From EUR | To EUR | EUR | Percent |
| 0 | 8,500 | 0 | 16 % |
| 8,500 | 25,000 | 1,360 | + 26 % over 8,500 |
| 25,000 | 50,000 | 5,650 | + 33 % over 25,000 |
| 50,000 | 72,000 | 13,900 | + 39 % over 50,000 |
| Over 72,000 | - | 22,480 | + 45 % over 72,000 |

Capital Gains

| Taxable Income (capital gains)* | Tax Rate |
|---------------------------------|----------|
| First 5 years | 25% |
| 5-10 years | 20% |
| 10-15 years | 15% |
| 15+ years | 0% |

* the tax rate depends on the years of ownership

A resident taxpayer may for example claim (under certain conditions) the following tax allowances:

- general allowance of EUR 4.500
- special allowance for dependent family members of EUR 2.436,92 (the allowance is increased for each additional dependent family member);
- tax allowance for voluntary additional pension insurance; etc.

Dividends and interests received by a resident individual are subject to withholding tax at the rate of 25%. Rental income is subject to tax at the rate of 15%.

Social security contributions are generally mandatory in Slovenia if natural persons perform their work in Slovenia.

| | |
|---|---|
| 5. Non-resident individual tax rates | <p>Non-residents individual tax rates are identical to the tax rates for residents. Non-residents are only liable for taxation on income derived in Slovenia (Slovene sourced income).</p> |
| 6. Goods and services tax | <p>The Value Added Tax is levied in Slovenia:</p> <ol style="list-style-type: none"> 1. on supplies of goods and services for consideration performed on the territory of Slovenia by taxable persons, 2. on intra-Community acquisitions of goods for consideration from other EU Member States, 3. on import of goods. <p>The standard VAT rate is 22%. The reduced rate of 9.5% is applied for certain goods (for example foodstuffs) and services. From 1.1.2020 super reduced rate of 5 % is applied for sale of books, newspapers and publications. Some goods and services are VAT exempt (for example financial services), whereby certain exemptions give rise to input VAT deduction and others do not.</p> <p>If the taxable turnover within the last 12 calendar months exceeds the registration threshold of 50,000 EUR, VAT registration is mandatory. It is possible to identify for VAT purposes on a voluntary basis. VAT registration is mandatory for foreign taxable persons performing taxable supplies on the territory of Slovenia unless a reverse charge mechanism applies to their supplies.</p> |
| 7. Estate duty | <p>Inheritance (and gift) tax is applicable in cases of transfer of property. The tax is levied progressively, depending on the value of the property and the recipient's relationship with the deceased/donor.</p> |
| 8. Stamp duty | <p>Slovenia does not have stamp duties.</p> |
| 9. Property tax | <p>The Slovenian property tax system currently consists of two types of taxation on possession or use of real estate. One is property tax and the other is a duty called "charge for the use of building land".</p> <p>Property tax is levied on property owners or real estate beneficiaries, whereby the obligation and/or tax base depends on the type and size of the real estate. Property tax is levied at progressive rates and there are wide-ranging exceptions stipulated by the legislation.</p> <p>The charge for the use of building land is assessed on an annual basis and depends on various circumstances. The tax rates are determined by local municipalities. The person liable for payment of the charge is the owner or tenant of the real estate property.</p> <p>The property tax system will most likely undergo drastic changes over the next years as the introduction of new legislation has been in the making for the past few years.</p> |

| 10. Income tax filing deadlines | Types of Form | | Deadlines* |
|--|--|-------------|--|
| | Income Tax Return | Individuals | For income from employment and certain other types of income, residents receive a preliminary tax calculation automatically, whereby there is no further filing obligation if the calculation is correct. If it is not received until the stipulated deadline, the natural person must submit an annual tax return by the end of July. For capital gains, the deadline for submission of the tax return is the end of February. |
| | Income Tax Return | Companies | The tax return must be submitted within three months after the end of the tax year. |
| | *other filing deadlines are applicable for different types of income | | |
| 11. Double tax agreements | Slovenia has concluded 59 tax treaties for avoidance of double taxation. Slovenia also signed the Multilateral Instrument (the MLI) on 7.6.2017, which entered into force on 1.7.2018. | | |

Updated: June 2022



Firm: A TAX International LTD

Contact: Azra Begic Milanez | info@ataxint.com | +386 (0) 1 200 98 40

SPAIN

2022 TAX CARD (In Euros)

1. Basis of taxation

Spanish taxes can be classified by as follows:

A. Direct taxes.

- On Incomes: Corporate income tax, Personal income tax and Non-resident income tax.
- On assets: Wealth tax and inheritance and inheritance gift tax (affecting only individuals).

B. Indirect taxes:

- Valued Add Tax (VAT)
- Transfer tax and stamp tax
- Excise tax
- Customs duties on imports
- Tax on insurance premiums

Tax residence in Spain. A company is deemed to be resident in Spain for tax purposes if it meets any of the following conditions: it was incorporated under Spanish Law, its registered office is located in Spain, and its place of effective management is in Spain. An individual will have his residence in Spain as long as he stays physically in Spain more than 183 days in one year calendar.

Non-resident in Spain. A company will contribute in Spain to its incomes received through a permanent establishment besides the assets located in Spain, as well as individuals.

2. Corporate tax

The regulation is basically contained in Corporate Tax Law 27/2014, of November 27 and in Royal Decree 634/2015, of July 10, 2015, approving the Corporate Income Tax Regulations.

The tax period can not exceed 12 months, and the tax will file after the next six months following the end of its financial year. Commonly, the financial year takes from January 1st until December 31st.

The tax principles for allocating revenues and expenses to determine taxable income generally coincide with accounting principles. In this regard, the method generally applicable for recognizing revenue and expenses is the accrual method. The law contains an exhaustive list of non-deductible expenses.

There are some tax incentives for small and medium-size companies which invoice less than EUR10 million, regarding the depreciation of its assets and if they increase their reserves. The general tax rate is 25%. There are some special rates applicable to certain entities such as collective investments institutions (1%), certain cooperatives (20%), non-profit organizations complying with Law 49/2002 (10%), credit institutions (30%), etc. There are some tax credits applicable to encourage certain activities:

- Research and development and technological innovation.
- Investment in cinematographic production.
- Creation of employment.
- Creating jobs for disabled workers.

2. Corporate tax (cont.)

Concerning the tax credit to avoid international double taxation, there are two types of credit.

- a. **Legal.** When taxpayers include in the gross tax base income obtained in another country, they will deduct the lesser of the following two figures, the amount paid abroad in an identical tax or the amount of tax that would be payable in Spain.
- b. **Economic.** When dividends or shares in profit included in the gross tax base are paid by a company non-resident in Spain, the deduction will be the tax paid by the non-resident entity.

3. Withholding tax rate (non-treaty)

| | Resident Individual/Corporation | Non-Resident Individual/Corporation |
|----------------------------|---------------------------------|-------------------------------------|
| Dividends | 19% | 19% |
| Interest | 19% | 19% |
| Capital gain | | 19% |
| Capital gain (real estate) | 0% | 3% |
| Royalties | 19% | 24% |
| Rents | 21% | 24% |
| Salaries | 0-45% | 24% |
| Pensions | 0-45% | 8-40% |
| Business | 0-45% | 24% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.

4. Resident individual tax rates

The taxpayers subject to personal income tax are taxed on their entire worldwide income, including the income of foreign entities. There is the possibility of being taxed as an individual or jointly (as a family unit). The tax is structured in two types of bases, integrated by different kinds of incomes. The positive balance will be the result of adding and offsetting the capital gains and losses.

- a. General tax base. Salary income, income and imputation from real estate, some of the incomes movable capital from entities related to the taxpayer, incomes from business activities, imputation of real estate and some capital gains and losses.
- b. Saving tax base. Incomes derived from an entity due to the status of the partner or shareholder, income from movable capital derived from the transfer of own funds, the monetary return or payment in kind on capitalization transactions and life or disability insurance contracts and some capital gains and losses.

The Law establishes numerous items from exempt income such as salary earned during the time spent by the employee working abroad. There are reductions in the base in order to adapt the tax to the personal and family situation of the taxpayer.

- a. Taxpayer allowance: EUR 5,550 annually (increased for persons over 65 years)
- b. Allowance for descendants: EUR 2,400 for the first, EUR 2,700 for the second, EUR 4,000 for the third, EUR 4,500 for fourth and subsequent.
- c. Allowance of ascendants: EUR 1,150 annually.
- d. Allowance for disability: depending on the grade of disability EUR 3,000 or EUR 9,000.

4. Resident individual tax rates (cont.)

The tax rate will depend on which autonomous community is established by the taxpayer, being the same incomes taxed differently between autonomous communities. Nevertheless, an overall average is:

Tax applicable on the General tax base:

| Net Taxable Income (Up to) | Gross TA payable | Rest of Net Taxable Income (Up to) | Tax Rate Applicable |
|-----------------------------|------------------|-------------------------------------|---------------------|
| - | - | EUR 12.450,00 | 19% |
| EUR 12.450,00 | EUR 2.365,50 | EUR 7.750,00 | 24% |
| EUR 20.200,00 | EUR 425,50 | EUR 15.000,00 | 30% |
| EUR 35.200,00 | EUR 8.725,50 | EUR 24.800,00 | 37% |
| EUR 60.000,00 | EUR 17.901,50 | Onwards | 45% |

Tax applicable on the Saving tax base:

| Net Taxable Income (Up to) | Gross TA payable | Rest of Net Taxable Income (Up to) | Tax Rate Applicable |
|-----------------------------|------------------|-------------------------------------|---------------------|
| | | EUR 6.000,00 | 19% |
| EUR 6.000,00 | EUR 1.140,00 | EUR 44.000,00 | 21% |
| EUR 50.000,00 | EUR 10.380,00 | EUR 150.000,00 | 23% |
| EUR 200.000,00 | EUR 44.880,00 | Onwards | 26% |

The legislation establishes some kind of tax credits such as double taxation, donations and for investments in the recently formed company.

5. Non-resident individual tax rates

The basic regulation is contained in the Legislative Royal Decree 5/2004, of March 5 and it is determining if non-resident individuals or the entities obtain their incomes through a permanent establishment.

Permanent establishments in Spain are taxed on their net income at the same rate as Spanish companies, in general, 25%.

When the incomes are obtained without a permanent establishment the following rates are applicable:

| Type of Income | Rate (Taxpayers resident in another Member State of EU or EEA) | Rate (for other non-residents) |
|------------------------|--|--------------------------------|
| Business activities | 19% | 24% |
| Salaries | 19% | 24% |
| Dividends and interest | 19% | 19% |
| Rent | 19% | 24% |
| Capital gain | 19% | 19% |
| Royalties | 19% | 24% |

Intra-European regulations, as well as numerous international tax treaties, can significantly reduce or eliminate the withholding taxes indicated above.

6. Goods and services tax

Normally the VAT tax does not entail any cost for traders or professionals as most of them are allowed to deduct the VAT paid in their purchases, consequently the VAT is a cost for the end consumer. Within Spain, VAT is not applicable in

- a. Canary Islands. Canary General Indirect Tax is in force and its general rate is 7%.
- b. Ceuta and Melilla. They charge a different indirect tax for production, services and import.

The taxable transactions are:

- a. Supplies of goods
- b. Supplies of services
- c. Intra-Community acquisitions of goods and services.
- d. Imports of goods.

The VAT rate applicable depends on the kind of goods or services.

- a. The general rate is 21%
- b. A reduced rate of 10% for foodstuffs, water, housing, transportation.
- c. A reduced rate of 4% for goods or services that Law considered as basic needs such as medicine, bread, milk, eggs, books, magazines, etc.

Some transactions exempt from VAT such as educational and medical services, financial and insurance transactions, etc.

7. Estate duty

Inheritance and gift tax is applicable only to individuals, residents and non-residents (only for the acquisitions of assets or rights located in Spain). The tax base is formed by the net value of the assets and rights acquired. The Law contemplates a series of reductions, basically for cases of transfers between the closest family members. The tax is calculated by adjusting a tax scale of progressive rates but the final tax will depend on the autonomous community governments, which have legal power to regulate rates and reductions. The following table is a general scale of rates:

| Tax Base (€) | Tax Payable (€) | Remaining Tax Base (€) | Applicable Rate (%) |
|--------------|-----------------|------------------------|---------------------|
| 0 | | 7 993,46 | 7,65 |
| 7 993,46 | 611,5 | 7 987,45 | 8,5 |
| 15 980,91 | 1 290,43 | 7 987,45 | 9,35 |
| 23 968,36 | 2 037,26 | 7 987,45 | 10,2 |
| 31 955,81 | 2 851,98 | 7 987,45 | 11,05 |
| 39 943,26 | 3 734,59 | 7 987,46 | 11,9 |
| 47 930,72 | 4 685,10 | 7 987,45 | 12,75 |
| 55 918,17 | 5 703,50 | 7 987,45 | 13,6 |
| 63 905,62 | 6 789,79 | 7 987,45 | 14,45 |
| 71 893,07 | 7 943,98 | 7 987,45 | 15,3 |
| 79 880,52 | 9 166,06 | 39 877,15 | 16,15 |
| 119 757,67 | 15 606,22 | 39 877,16 | 18,7 |

7. Estate duty (cont.)

| Tax Base (€) | Tax Payable (€) | Remaining Tax Base (€) | Applicable Rate (%) |
|--------------|------------------|------------------------|---------------------|
| 159 634,83 | 23 063,25 | 79 754,30 | 21,25 |
| 239 389,13 | 40 011,04 | 159 388,41 | 25,5 |
| 398 777,54 | 80 655,08 | 398 777,54 | 29,75 |
| 797 555,08 | 199 291,40 | Onwards | 34 |

8. Stamp duty

Transfer and stamp tax is basically applied on real property transfers or some companies operations. There are some corporate transactions exempted (company formations, capital increases, business restructuring transactions). The following are the most relevant operations:

| OPERATIONS | TAX RATE |
|-------------------------------------|----------|
| Corporate transactions | 1% |
| Transfers of real estate | 6% |
| Certain rights on real estate | 1% |
| Certain mercantile law public deeds | 0,50% |

The operations taxed by VAT are not subjected to transfer tax. The regulation applicable is also determined by autonomous community, consequently they can regulate the tax rate levied.

9. Property tax

The wealth tax is only applicable to individuals. Residents will be taxed for their total assets (located worldwide) and non-residents for their assets in Spain.

The Law explains how to value each kind of asset and establishes a reduction of €300,000 for the habitual residence, and in certain circumstances the assets or rights necessary for the performance of a business or professional activity are exempt, among others. Additionally, there is a general exemption of €700,000 but this amount could be modified by the autonomous community, as well as the following scale of rates:

| Net Taxable Income (Up to €) | Tax payable (€) | Rest of Net Taxable Income (Up to €) | Tax Rate(%) |
|------------------------------|------------------|---------------------------------------|-------------|
| 0,00 | 0,00 | 167.129,45 | 0,2 |
| 167.129,45 | 334,26 | 167.123,43 | 0,3 |
| 334.252,88 | 835,63 | 334.246,87 | 0,5 |
| 668.499,75 | 2.506,86 | 668.499,76 | 0,9 |
| 1.336.999,51 | 8.523,36 | 1.336.999,50 | 1,3 |
| 2.673.999,01 | 25.904,35 | 2.673.999,02 | 1,7 |
| 5.347.998,03 | 71.362,33 | 5.347.998,03 | 2,1 |
| 10.695.996,06 | 183.670,29 | Onwards | 3,5 |

10. Income tax filing deadlines

| Types of forms | | Deadlines* |
|-------------------|---------------|---|
| Income Tax Return | Individuals | By June 30th in the year following the tax year |
| Income Tax Return | Companies (*) | By July 25th in the year following the tax year |

*For companies whose business year starts on the 1st of January until 31th of December. For companies with different financial year, during the first 25 days after the six months since its financial year is over.

11. Double tax agreements

There 88 treaties in force to avoid double taxation. The following table contains the types of retentions that operate as the maximum limit of taxation applicable by the source country to payments in the concept of dividends, interest and royalties.

| Country | Dividends % | | Interest %* | Royalties % | |
|----------------------|-------------|-------------------|-------------|-------------|-----------|
| Country | General (%) | Parent-Subsidiary | (%) | (%) | |
| Albania | 10 | 5/0 | 10/75. | 0/6 | 0 |
| Andorra | 15 | 5 | 10 | 0/5 | 5 |
| Algeria | 15 | 5 | 10 | 0/5 | 07/14 |
| Argentina | 15 | 10 | 25 | 0/12 | 3/5/10/15 |
| Armenia | 10 | 0 | 25 | 5 | 05/10 |
| Australia | 15 | 15 | - | 10 | 10 |
| Austria | 15 | 10 | 50 | 5 | 5 |
| Barbados | 5 | 0 | 25 | 0 | 0 |
| Belgium | 15 | 0 | 25 | 0/10 | 5 |
| Belarus | 18 | 18 | - | 0 | 0/5 |
| Bolivia | 15 | 10 | 25 | 0/15 | 0/15 |
| Bosnia y Herzegovina | 10 | 5 | 20 | 0/7 | 7 |
| Brazil | 15 | 10 | 25 | 0/10/15 | 10/15 |
| Bulgaria | 15 | 5 | 25 | 0 | 0 |
| Canada | 15 | 5/0 | 10/PP | 0/10 | 0/10 |
| Chile | 10 | 5 | 20 | 4/5/15 | 2/10 |
| China | 10 | 10 | - | 10 | 6/10 |
| Colombia | 5 | 0 | 20 | 0/5/10 | 10 |
| Costa Rica | 12 | 5 | 20 | 0/5 | 10 |
| Croatia | 15 | 0 | 25 | 0 | 0 |
| Cuba | 15 | 5 | 25 | 0/10 | 0/5 |
| Cyprus | 5 | 0 | 10 | 0 | 0 |
| Czech Republic | 15 | 5 | 25 | 0 | 0/5 |
| Dominican Republic | 10 | 0 | 75 | 0/10 | 10 |
| Ecuador | 15 | 15 | - | 0/5/10 | 5/10 |
| Egypt | 12 | 9 | 25 | 0/10 | 12 |

**11.
 Double tax
 agreements
 (cont.)**

| Country | Dividends % | | Interest %* | Royalties % |
|-----------------|-------------|-------------------|-------------|-------------|
| Country | General (%) | Parent-Subsidiary | (%) | (%) |
| Estonia | 15 | 5 25 | 0 | 0 |
| Finland | 15 | 10 25 | 10 | 5 |
| France | 15 | 0 10 | 0/10 | 0/5 |
| Georgia | 10 | 0 10 | 0 | 0 |
| Germany | 15 | 5 10 | 0 | 0 |
| Greece | 10 | 5 25 | 0/8 | 6 |
| Hong Kong | 10 | 0 25 | 0/5 | 5 |
| Hungary | 15 | 5 25 | 0 | 0 |
| Iceland | 15 | 5 25 | 0/5 | 5 |
| India | 15 | 15 - | 0/15 | 10 |
| Indonesia | 15 | 10 25 | 0/10 | 10 |
| Iran | 10 | 5 20 | 0/7,5 | 5 |
| Ireland | 15 | 0 25 | 0 | 5/8/10 |
| Israel | 10 | 10 - | 0/5/10 | 5/7 |
| Italy | 15 | 15 - | 0/12 | 4/8 |
| Jamaica | 10 | 5 25 | 0/10 | 10 |
| Japan | 15 | 10 25 | 10 | 10 |
| Kazakhstan | 15 | 5 10 | 0/10 | 10 |
| Kyrgyzstan | 18 | 18 - | 0 | 0/5 |
| Korea | 15 | 10 25 | 10 | 10 |
| Kuwait | 5 | 0 10 | 0 | 5 |
| Latvia | 10 | 5 25 | 0/5/10 | 0% |
| Lithuania | 15 | 5 25 | 0/10 | 5/10 |
| Luxemburg | 15 | 10 25 | 10 | 10 |
| North Macedonia | 15 | 5 10 | 0/5 | 5 |
| Malaysia | 5 | 0 5 | 0/10 | 5/7 [|
| Malta | 5 | 0 25 | 0 | 0 |
| Morocco | 15 | 10 25 | 10 | 5/10 |
| Mexico | 10 | 0 10/FP | 0/4,9/10 | 0/10 |
| Moldova | 10 | 5/0 25/50 | 0/5 | 8 |
| Netherlands | 15 | 10/5 50 (o 25+25) | 10 | 6 |
| New Zealand | 15 | 15 - | 10 | 10 |
| Nigeria | 10 | 7,5 10 | 0/7,5 | 3,75/7,5 |
| Norway | 15 | 10 25 | 0/10 | 5 |
| Oman | 10 | 0 20 | 0/5 | 8 |
| Pakistan | 10 | 7,5/5 25/50 | 0/10 | 7,5 |
| Panama | 10 | 5/0 40/80 (o FP) | 0/5 | 5 |

**11.
Double tax
agreements
(cont.)**

| Country | Dividends % | | Interest %* | Royalties % | |
|----------------------|-------------|-------------------|----------------------|-------------|----------|
| Country | General (%) | Parent-Subsidiary | (%) | (%) | |
| Philippines | 15 | 10 | 10 | 0/10/15 | 10/15/20 |
| Poland | 15 | 5 | 25 | 0 | 0/10 |
| Portugal | 15 | 10 | 25 | 15 | 5 |
| Romania | 15 | 10 | 25 | 10 | 10 |
| Russia | 15 | 10/5 [| Vol. Investment | 0/5 | 5 |
| Salvador | 12 | 0 | 50 | 0/10 | 10 |
| Saudi Arabia | 5 | 0 | 25 | 0/5 | 8 |
| Senegal | 10 | 10 | - | 0/10 | 10 |
| Serbia | 10 | 5 | 25 | 0/10 | 5/10 |
| Singapore | 5 | 0 | 10 | 0/5 | 5 |
| Slovakia | 15 | 5 | 25 | 0 | 0/5 |
| Slovenia | 15 | 5 | 25 | 0/5 | 5 |
| South Africa | 15 | 5 | 25 | 0/5 | 5 |
| Sweden | 15 | 10 | 50 | 15 | 10 |
| Switzerland | 15 | 0 | 10 (o PP/ Equity) | 0 | 0/5 |
| Tajikistan | 18 | 18 | - | 0 | 0/5 |
| Thailand | 10 | 10 | - | 0/10/15 | 5/8/15 |
| Trinidad y Tobago | 10 | 5/0 | 25/50 | 0/8 | 5 |
| Tunisia | 15 | 5 | 50 | 5/10 | 10 |
| Turkey | 15 | 5 | 25 | 10/15 | 10 |
| Turkmenistan | 18 | 18 | - | 0 | 0/5 |
| Ukraine | 18 | 18 | - | 0 | 0/5 |
| United Arab Emirates | 15 | 5 | 10 | 0 | 0 |
| United Kingdom | 10 | 0 | 10 (o PP) | 0 | 0 |
| Uruguay | 5 | 0 | 75 | 0/10 | 5/10 |
| USA | 15 | 10 | 25 | 0/10 | 5/8/10 |
| Uzbekistan | 10 | 5/0 | 25 | 0/5 | 5 |
| Venezuela | 10 | 0 | 25 | 0 | 5 |
| Vietnam | 15 | 10/7/5 | 25/50/70 | 0/10 | 5/10 |

SWEDEN

2022 TAX CARD (In Swedish Krona)

1. Basis of taxation

The Swedish income tax year runs from 1 January to 31 December. There are two fundamental platforms determining liability to Swedish tax, commonly known as the source rule and residence rule.

The source jurisdiction of taxation means that Sweden taxes non-resident individuals and corporations on income arising to them from sources within Sweden only.

The residence jurisdiction involves the taxation of Sweden's resident individuals and corporations on income arising both in foreign countries and Sweden itself. Residents of Sweden are subject to Swedish tax on their worldwide income.

2. Corporate tax

A Swedish resident company is subject to company tax, a non-resident company is taxed on its Swedish source income at the same rate as a resident company if there is a permanent establishment in Sweden. The tax is a flat rate tax with no turnover thresholds. The following tax rates apply to companies for the income year:

| Year | Tax |
|------|-------|
| 2018 | 22% |
| 2019 | 21,4% |
| 2021 | 20,6% |

3. Withholding tax rate (non-treated)

| | Resident | Non-resident Individual/ Corporation |
|-------------------------------|----------|--------------------------------------|
| Dividends | NA | 30% /30% |
| Interest | NA | 0%/0% |
| Royalties/know-how | NA | 30-50%/22% |
| Rents (for moveable property) | NA | NA |
| Management fees | NA | NA |
| Technical fees | NA | NA |
| Directors' fees | NA | NA |

4 Resident individual taxes rates

| Taxable Income SEK | Tax Payable SEK |
|--------------------|----------------------------|
| 0 – 554 900 | About 31% |
| 554 900 – | 52% of excess over 554 900 |

5. Non-resident individual tax rates

| Taxable Income SEK | Tax Payable SEK |
|--------------------|-----------------------------|
| 0 – 554 900 | About 31 % |
| 554 900 – | 52 % of excess over 554 900 |

| 6. Goods and Services tax | VAT is levied at a rate of 25%,12% or 6%. Entities have to register once turnover reaches 35,000 SEK. | | | | | | | | | | | | | | | | | | |
|--|---|--|--|------------|------------|-------------|-------|------------|-----------|--|-----------------|----|----|----------------|----|----|-----------------|----|----|
| 7. Estate Duty | Sweden does not have death or estate taxes – various rollovers apply for capital gains tax and stamp duties when assets are passed on after death. | | | | | | | | | | | | | | | | | | |
| 8. Stamp duty | Stamp duty is applied. Stamp duty is applied on real property transfers. Rate of duty is 1,5% for individuals and to 4,25% for legal entities. | | | | | | | | | | | | | | | | | | |
| 9. Property tax | Property tax is charged on property owners. The rate of property tax varies depending on the use of the building. The tax is charged on an estimated value linked to an estimated market value adjusted every few years. | | | | | | | | | | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1" data-bbox="418 824 1455 1124"> <thead> <tr> <th>Types of Form</th> <th></th> <th>Deadlines*</th> </tr> </thead> <tbody> <tr> <td>Tax Return</td> <td>Individuals</td> <td>2 May</td> </tr> <tr> <td>Tax Return</td> <td>Companies</td> <td>Varies depending on income year. 6 months after the end.</td> </tr> <tr> <td>Management fees</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Technical fees</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Directors' fees</td> <td>NA</td> <td>NA</td> </tr> </tbody> </table> <p>*Various extensions are available for lodgement up to June of the following year where the entity is registered as a client of a tax agent. Timing of extension available is dependent upon the type of entity, their size, and if the entity is tax payable for the year.</p> | Types of Form | | Deadlines* | Tax Return | Individuals | 2 May | Tax Return | Companies | Varies depending on income year. 6 months after the end. | Management fees | NA | NA | Technical fees | NA | NA | Directors' fees | NA | NA |
| Types of Form | | Deadlines* | | | | | | | | | | | | | | | | | |
| Tax Return | Individuals | 2 May | | | | | | | | | | | | | | | | | |
| Tax Return | Companies | Varies depending on income year. 6 months after the end. | | | | | | | | | | | | | | | | | |
| Management fees | NA | NA | | | | | | | | | | | | | | | | | |
| Technical fees | NA | NA | | | | | | | | | | | | | | | | | |
| Directors' fees | NA | NA | | | | | | | | | | | | | | | | | |
| 11. Double tax agreements | 137 international tax treaties have been put in place to prevent tax treaties and were signed with foreign countries to avoid double taxation. | | | | | | | | | | | | | | | | | | |

SWITZERLAND

2022 TAX CARD (In Swiss Francs)

1. Basis of Taxation

The Swiss tax system is shaped in three different levels: federal, cantonal and communal taxes. The largest portion is levied by the cantons and municipalities, under their own laws, resulting in an intense tax competition at these two levels.

The liability to Switzerland income tax is determined by the tax residence status and the source of the income. The Swiss resident individuals are subject to income and wealth tax on their worldwide income and wealth (unlimited tax liability). The non-resident individuals are taxed only on the income that arises to them from a Swiss-source.

A company is considered resident if its seat (registered office) or place of effective management is in Switzerland. An individual is considered resident based on several factors, such as the centre of his vital interests or the place of abode (30 days combined with a gainful activity or a stay of 90 days without such activity in each calendar year).

2. Corporate Tax

The tax period is the calendar year or financial year.

The corporate income tax flat rate, at the federal level, is 8.5% (effective rate of 7.83% taking into consideration the deductibility of the federal tax). The cantons may set their own rates (same for companies and cooperatives); the communal corporate income taxes are a surcharge on the cantonal taxes. On average the total tax burden depends on the Canton and Municipality and vary from 11.5% to 26%.

The capital gains are part of the business income. There is a participation relief when a minimum of 10% capital is held. The company losses can be carried-forward for 7 tax years, but not carried-back.

3. Withholding tax rate (non-treated)

| | Individual/Corporation |
|--------------------|---|
| Dividends | 35% |
| Interest | 35% on Swiss bonds and bank deposits 3% on loans secured by immobile property 0% for qualifying interest under EU-Swiss Savings Agreement |
| Royalties/know-how | No |
| Management fees | No |
| Technical fees | No |

| 4. Resident individual tax rates | <table border="1"> <thead> <tr> <th>Taxable Income (progressive)</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>Tax is progressive and depends on Canton and Municipality</td> <td>Rate varies from Canton to Canton. Maximum rate is about 35% and includes Federal, Cantonal and Communal</td> </tr> </tbody> </table> | Taxable Income (progressive) | Tax Rate | Tax is progressive and depends on Canton and Municipality | Rate varies from Canton to Canton. Maximum rate is about 35% and includes Federal, Cantonal and Communal |
|---|--|--|---|---|--|
| | Taxable Income (progressive) | Tax Rate | | | |
| | Tax is progressive and depends on Canton and Municipality | Rate varies from Canton to Canton. Maximum rate is about 35% and includes Federal, Cantonal and Communal | | | |
| | <table border="1"> <thead> <tr> <th>Taxable Income (capital gains)</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>In principle nil (private wealth) Ordinarily taxed if commercial wealth</td> <td>Not subject to tax if capital gains are deriving from private's wealth transactions</td> </tr> </tbody> </table> | Taxable Income (capital gains) | Tax Rate | In principle nil (private wealth) Ordinarily taxed if commercial wealth | Not subject to tax if capital gains are deriving from private's wealth transactions |
| Taxable Income (capital gains) | Tax Rate | | | | |
| In principle nil (private wealth) Ordinarily taxed if commercial wealth | Not subject to tax if capital gains are deriving from private's wealth transactions | | | | |
| <table border="1"> <thead> <tr> <th>Taxable Income (dividends)</th> <th>Tax Rate</th> </tr> </thead> <tbody> <tr> <td>Dividends are taxable at 70% if the participation represent at least 10% of the share capital</td> <td>Rate varies from Canton to Canton. Maximum rate is about 35% and includes Federal, Cantonal and Communal. Effective rate 24,50%</td> </tr> </tbody> </table> | Taxable Income (dividends) | Tax Rate | Dividends are taxable at 70% if the participation represent at least 10% of the share capital | Rate varies from Canton to Canton. Maximum rate is about 35% and includes Federal, Cantonal and Communal. Effective rate 24,50% | |
| Taxable Income (dividends) | Tax Rate | | | | |
| Dividends are taxable at 70% if the participation represent at least 10% of the share capital | Rate varies from Canton to Canton. Maximum rate is about 35% and includes Federal, Cantonal and Communal. Effective rate 24,50% | | | | |
| | <p>Certain types of income (for example capital gain, inheritances and gifts) are exempt.</p> <p>The taxpayers may claim:</p> <ul style="list-style-type: none"> - a tax bonus per dependent child in the amount of CHF 200-250 per month; - a spouse allowance in the amount of CHF 7'700 per year. | | | | |
| 5. Non-resident individual tax rates | <p>The non-resident individual tax rates are in principle the same with the resident individual tax rates. The scope of taxable income is different.</p> <p>The capital gains on sale of shares in resident companies are not subject to federal income tax unless they are derived in the course of a business; the capital gains on sale of immovable property depend on the canton.</p> | | | | |
| 6. Goods and services tax | <p>The Value Added Tax is levied in Switzerland:</p> <ul style="list-style-type: none"> - on the supply of goods and services for consideration performed in Switzerland by taxable persons; - on private use of goods and services; - on the imports of goods and services for consideration. <p>The standard rate is 7.7% (8% before 1 January 2018). The reduced rate of 3.7% is applied to certain goods (for example basic foodstuffs, books, antibiotics and orthopaedic items). The reduced rate of 2.5% is applied to certain goods (for example food and beverages - except for alcoholic beverages and services rendered in the hotel or catering sectors; medicines; books and newspapers). Some goods and services are VAT exempt (for example health, social, financial and educational/cultural services).</p> <p>The taxable persons are obligated to register for VAT purposes when the taxable turnover exceeds, throughout the last 12 calendar months, the registration threshold of CHF 100'000.</p> <p>Persons liable to customs duty are subject to VAT on the import of goods. The import of services rendered by companies who have their business establishment outside the Swiss territory leads to tax liability if a recipient consumes imported services with a total value exceeding CHF 10'000 annually.</p> | | | | |

| 7. Estate duty | <p>Switzerland does have real estate tax, on cantonal or communal level. There is no federal real estate tax. There are also inheritance taxes, but not on direct descendant and not at federal level.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|----------------------|-------------|----------------|-------------|--|----------------------|-----------|---|-----|-----|-----|-----|-----------------------|--|--|--|--|------------|----|---|--------|---|--------------|----|-----|--------|---|---------------------|--|--|--|--|--------------|--|--|--|--|---------|----|---|-----|---|---------|----|---|------|----|
| 8. Stamp duty | <p>Yes (1% on the issuance of securities above CHF 1 million).</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. Property tax | <p>The real estate are included in the wealth taxation of the individual.</p> <p>Profits realized by selling real estate are subject to real estate gain tax at cantonal level. The tax is due on the realized profit (i.e. selling price minus purchase price and investments).</p> <p>The real estate transfer tax varies from canton to canton and in general, the longer a real estate has been held, the lower the tax is.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10. Income tax filing deadlines | <table border="1" data-bbox="422 887 1461 1084"> <thead> <tr> <th>Types of forms</th> <th></th> <th>Deadlines*</th> </tr> </thead> <tbody> <tr> <td>I&W Tax Return</td> <td>Individuals</td> <td>By April 30th in the year following the tax year</td> </tr> <tr> <td>I&W Tax Return</td> <td>Companies</td> <td>By June 30th in the year following the tax year</td> </tr> </tbody> </table> <p>* It depends on the canton. Various extensions are available.</p> | Types of forms | | Deadlines* | I&W Tax Return | Individuals | By April 30th in the year following the tax year | I&W Tax Return | Companies | By June 30th in the year following the tax year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Types of forms | | Deadlines* | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| I&W Tax Return | Individuals | By April 30th in the year following the tax year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| I&W Tax Return | Companies | By June 30th in the year following the tax year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Double tax agreements | <p>Switzerland concluded 94 tax treaties to avoid double taxation.</p> <p>Switzerland also signed the Multilateral Instrument (the MLI) on June 7th, 2017.</p> <p>Overview of tax rates under double tax treaties that are applied to dividends, interest income and royalties:</p> <table border="1" data-bbox="422 1487 1461 1995"> <thead> <tr> <th rowspan="3"></th> <th colspan="2">Dividends %</th> <th>Interest %*</th> <th>Royalties %</th> </tr> <tr> <th>Individuals, companies</th> <th>Qualifying companies</th> <th>(%)</th> <th>(%)</th> </tr> <tr> <th>(%)</th> <th>(%)</th> <th>(%)</th> <th>(%)</th> </tr> </thead> <tbody> <tr> <td>Domestic Rates</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Companies:</td> <td>35</td> <td>0</td> <td>0/3/35</td> <td>0</td> </tr> <tr> <td>Individuals:</td> <td>35</td> <td>N/A</td> <td>0/3/35</td> <td>0</td> </tr> <tr> <td>Treaty Rates</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Treaty With:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Albania</td> <td>15</td> <td>5</td> <td>0/5</td> <td>5</td> </tr> <tr> <td>Algeria</td> <td>15</td> <td>5</td> <td>0/10</td> <td>10</td> </tr> </tbody> </table> | | Dividends % | | Interest %* | Royalties % | Individuals, companies | Qualifying companies | (%) | (%) | (%) | (%) | (%) | (%) | Domestic Rates | | | | | Companies: | 35 | 0 | 0/3/35 | 0 | Individuals: | 35 | N/A | 0/3/35 | 0 | Treaty Rates | | | | | Treaty With: | | | | | Albania | 15 | 5 | 0/5 | 5 | Algeria | 15 | 5 | 0/10 | 10 |
| | Dividends % | | Interest %* | Royalties % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Individuals, companies | | Qualifying companies | (%) | (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (%) | (%) | (%) | (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Domestic Rates | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Companies: | 35 | 0 | 0/3/35 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Individuals: | 35 | N/A | 0/3/35 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Treaty Rates | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Treaty With: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Albania | 15 | 5 | 0/5 | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Algeria | 15 | 5 | 0/10 | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

**11.
Double tax
agreements**

| | | | | |
|-----------------------|----|-----|------|-----------|
| Argentina | 15 | 10 | 12 | 3/5/10/15 |
| Armenia | 15 | 5 | 0/10 | 5 |
| Australia | 15 | 0/5 | 0/10 | 5 |
| Austria | 15 | 0 | 0 | 0 |
| Azerbaijan | 15 | 5 | 5/10 | 5/10 |
| Bangladesh | 15 | 10 | 0/10 | 10 |
| Belarus | 15 | 5 | 5/8 | 3/5/10 |
| Belgium | 15 | 0 | 0/10 | 0 |
| Bulgaria | 10 | 0 | 0/5 | 0 |
| Canada | 15 | 5 | 0/10 | 0/10 |
| Chile | 15 | 15 | 5/15 | 5/10 |
| China (People's Rep.) | 10 | 0/5 | 10 | 9 |
| Chinese Taipei | 15 | 10 | 10 | 10 |
| Colombia | 15 | 0 | 0/10 | 10 |
| Croatia | 15 | 5 | 5 | 0 |
| Cyprus | 15 | 0 | 0 | 0 |
| Czech Republic | 15 | 0 | 0 | 5 |
| Denmark | 15 | 0 | 0 | 0 |
| Ecuador | 15 | 15 | 0/10 | 10 |
| Egypt | 15 | 5 | 0/15 | 12.5 |
| Estonia | 10 | 0 | 0 | 0 |
| Faroe Islands | 15 | 0 | 0 | 0 |
| Finland | 10 | 0 | 0 | 0 |
| France | 15 | 0 | 0 | 5 |
| Georgia | 10 | 0 | 0 | 0 |
| Germany | 15 | 0 | 0 | 0 |
| Ghana | 15 | 5 | 0/15 | 8 |
| Greece | 15 | 5 | 7 | 5 |
| Hong Kong | 10 | 0 | 0 | 3 |
| Hungary | 15 | 0 | 0 | 0 |
| Iceland | 15 | 0 | 0 | 0/5 |
| India | 10 | 10 | 0/10 | 10 |
| Indonesia | 15 | 10 | 10 | 10 |
| Iran | 15 | 5 | 0/10 | 5 |
| Ireland | 15 | 0 | 0 | 0 |
| Israel | 15 | 5 | 5/10 | 5 |
| Italy | 15 | 15 | 12.5 | 5 |
| Ivory Coast | 15 | 15 | 15 | 10 |
| Jamaica | 15 | 10 | 5/10 | 10 |
| Japan | 15 | 0/5 | 0/10 | 10 |
| Kazakhstan | 15 | 0/5 | 10 | 10 |

**11.
 Double tax
 agreements**

| | | | | |
|---------------------|-------|-----|-------|---------|
| Kosovo | 15 | 0/5 | 5 | 0 |
| Korea (Rep.) | 15 | 5 | 5/10 | 5 |
| Kuwait | 15 | 15 | 10 | 0/10 |
| Kyrgyzstan | 15 | 5 | 5 | 5 |
| Latvia | 15 | 0 | 15 | 0/5 |
| Liechtenstein | 15 | 0 | 0 | 0 |
| Luxembourg | 15 | 0/5 | 0/15 | 0 |
| Malaysia | 15 | 5 | 10 | 10 |
| Malta | 10 | 0 | 0/10 | 0 |
| Mexico | 15 | 0 | 5/10 | 10 |
| Moldova | 15 | 5 | 0/10 | 0 |
| Mongolia | 15 | 5 | 0/10 | 5 |
| Montenegro | 15 | 5 | 10 | 10 |
| Morocco | 15 | 7 | 10 | 10 |
| Netherlands | 15 | 0 | 0 | 0 |
| New Zealand | 15 | 15 | 10 | 10 |
| North Macedonia | 15 | 15 | 10 | 10 |
| Norway | 15 | 0 | 0 | 0 |
| Oman | 15 | 0/5 | 0/5 | 8 |
| Pakistan | 20 | 10 | 10 | 10 |
| Peru | 15 | 10 | 10/15 | 10/15 |
| Philippines | 15 | 10 | 10 | 15 |
| Poland | 15 | 0 | 0/5 | 0/5 |
| Portugal | 15 | 0/5 | 0/10 | 0/5 |
| Qatar | 10/15 | 5 | 0 | 0 |
| Romania | 15 | 0 | 0/5 | 10 |
| Russia | 15 | 0/5 | 0 | 0 |
| Serbia | 15 | 5 | 10 | 10 |
| Singapore | 10 | 5 | 0/5 | 5 |
| Slovak Republic | 15 | 0 | 0/5 | 0/10 |
| Slovenia | 15 | 0 | 0/5 | 0/5 |
| South Africa | 15 | 5 | 5 | 0 |
| Spain | 15 | 0 | 0 | 0/5 |
| Sri Lanka | 15 | 10 | 50/10 | 5/10 |
| Sweden | 15 | 0 | 0 | 0 |
| Tajikistan | 15 | 5 | 10 | 5 |
| Thailand | 15 | 10 | 10/15 | 5/10/15 |
| Trinidad and Tobago | 20 | 10 | 10 | 10 |
| Tunisia | 10 | 10 | 10 | 10 |
| Turkey | 15 | 5 | 5/10 | 10 |

11. Double tax agreements

| | | | | |
|----------------------|----|------|-----|----|
| Turkmenistan | 15 | 5 | 10 | 10 |
| Ukraine | 15 | 0/5 | 0/5 | 5 |
| United Arab Emirates | 15 | 5 | 0 | 0 |
| United Kingdom | 15 | 0 | 0 | 0 |
| United States | 15 | 5 | 0 | 0 |
| Uruguay | 15 | 5 | 0 | 0 |
| Uzbekistan | 15 | 5 | 0/5 | 5 |
| Venezuela | 10 | 0 | 5 | 5 |
| Vietnam | 10 | 7/10 | 10 | 10 |
| Zambia | 15 | 0/5 | 10 | 5 |

“This chart is based on information available up to 5.2.2021. Effective date: 1.1.2021.”

For more information for each country, please visit:
<https://www.estv.admin.ch/estv/de/home/internationales-steuerrecht/fachinformationen/quellensteuer-nach-dba.html>



Updated: June 2022

Firm: Fiduciariamega
Contact: Rocco Arcidiacono | rocco.arcidiacono@fiduciariamega.ch
 (+41) 91 923 13 22

TURKEY

2022 TAX CARD (In Turkish Liras)

1. Basis of taxation

The Turkish income tax year runs from 1 January to 31 December. There are two fundamental platforms determining liability to Turkish tax, commonly known as the source rule and residence rule.

The source jurisdiction of taxation means that Turkey taxes non-resident individuals and corporations on income arising to them from sources within Turkey only.

The residence jurisdiction involves the taxation of Turkey's resident individuals and corporations on income arising both in foreign countries and Turkey itself. Residents of Turkey are subject to Turkish tax on their worldwide income.

2. Corporate tax

A Turkish resident company is subject to company tax, a non-resident company is taxed on its Turkish source income at the same rate as a resident company. The following tax rates apply to companies for the income year:

| Year | Other Corporate Tax Entities |
|--------|------------------------------|
| 2021 | 25% |
| 2022 | 23% |
| Beyond | 20% |

3. Withholding tax rate (non-treaty)

| | Resident | Non-resident Individual/ Corporation |
|-------------------------------|----------|--------------------------------------|
| Dividends | 15% | 15% |
| Interest | 10% | 10% |
| Royalties/know-how | 20% | 20% |
| Rents (for moveable property) | 20% | 20% |
| Management fees | 20% | 20% |
| Technical fees | 20% | 20% |
| Directors' fees | 20% | 20% |
| Directors' fees | As wages | As wages |

4. Resident individual tax rates

| Taxable Income TRY | Tax Payable TRY |
|---------------------|-------------------------------------|
| 0-32.000 TRY | 15% |
| 32.001-70.000 TRY | 4.800+%20 of excess over 32.000 |
| 70.001-250.000 TRY | 12.400 + %27 of excess over 70.000 |
| 250.001-880.000 TRY | 61.000 + %35 of excess over 250.000 |
| over 880.000 + TRY | 281.5000 + excess over 281.500 %40 |

| 5. Non-resident individual tax rates | <table border="1" data-bbox="424 159 1457 432"> <thead> <tr> <th data-bbox="424 159 898 208">Taxable Income TRY</th> <th data-bbox="898 159 1457 208">Tax Payable TRY</th> </tr> </thead> <tbody> <tr> <td data-bbox="424 208 898 257">0-32.000 TRY</td> <td data-bbox="898 208 1457 257">15%</td> </tr> <tr> <td data-bbox="424 257 898 306">32.001-70.000 TR</td> <td data-bbox="898 257 1457 306">4.800+%20 of excess over 32.000</td> </tr> <tr> <td data-bbox="424 306 898 356">70.001-250.000 TRY</td> <td data-bbox="898 306 1457 356">2.400 + %27 of excess over 70.000</td> </tr> <tr> <td data-bbox="424 356 898 405">250.001-880.000 TRY</td> <td data-bbox="898 356 1457 405">61.000 + %35 of excess over 250.000</td> </tr> <tr> <td data-bbox="424 405 898 454">over 880.000 + TRY</td> <td data-bbox="898 405 1457 454">281.5000 + excess over 281.500 %40</td> </tr> </tbody> </table> | Taxable Income TRY | Tax Payable TRY | 0-32.000 TRY | 15% | 32.001-70.000 TR | 4.800+%20 of excess over 32.000 | 70.001-250.000 TRY | 2.400 + %27 of excess over 70.000 | 250.001-880.000 TRY | 61.000 + %35 of excess over 250.000 | over 880.000 + TRY | 281.5000 + excess over 281.500 %40 |
|---|---|--------------------|-----------------|--------------|------------|------------------|---------------------------------|--------------------|-----------------------------------|---------------------|-------------------------------------|--------------------|------------------------------------|
| Taxable Income TRY | Tax Payable TRY | | | | | | | | | | | | |
| 0-32.000 TRY | 15% | | | | | | | | | | | | |
| 32.001-70.000 TR | 4.800+%20 of excess over 32.000 | | | | | | | | | | | | |
| 70.001-250.000 TRY | 2.400 + %27 of excess over 70.000 | | | | | | | | | | | | |
| 250.001-880.000 TRY | 61.000 + %35 of excess over 250.000 | | | | | | | | | | | | |
| over 880.000 + TRY | 281.5000 + excess over 281.500 %40 | | | | | | | | | | | | |
| 6. Stamp duty | <p>Stamp duty is applied on a case by case basis. Stamp duty is mainly applied to real property transfers or some transfers of shares/units where the Company/ Trust in which shares/units are being transferred holds real property or prepared contract and all official documents which are recognised by official authorities.</p> <p>Rates of duty vary between 0,00189 to 0,00948 of the related amount. In any case, it can not exceed TRY 4.814.234 for 2022.</p> | | | | | | | | | | | | |
| 7. Property tax | <p>Real estate tax is a municipal tax levied on the value of Turkish real property (land and buildings). The applicable tax rate varies depending on the classification of the property.</p> <p>Residential premises and land are taxed at 0.1% of their value. The tax rate is 0.1% for land in general, 0.2% for buildings, and 0.3% for building sites or vacant land allocated for construction purposes. These rates are applied twice for the metropolitan municipality</p> | | | | | | | | | | | | |
| 8. Valuable House Tax | <p>According to the related provisions of the Real Estate Tax Law, the Tax will apply to houses worth at least TRY 5,227,000. Houses worth less will not be taxed.</p> <p>The Tax is based on the taxable value of a house, which is determined according to the Real Estate Tax Law. Overall, the Tax rate is 3% (three per mille) for houses with a value between 6.173.000-9.260.000 TRY / % 0,3 of excess over 6.173.000. For houses with a value between 9.260.000-12.347.000 / 9.261 + % 0,6 of excess over 9.260.000. For houses with a value of more than 12.347.000 TRY / 27.783 + %1 of excess over 12.347.000.</p> <p>Taxpayers who own only one residential property within the borders of Turkey do not have to pay any Tax, no matter how high the value of this property is.</p> <p>Those who have more than one house within the scope of the Tax do not have to pay Tax on the house with the lowest value. Taxpayers who have more than one house must notify the competent tax office of their least valuable property by means of the "Notice of exempt least valuable property of persons having more than one residential property (including those with usufructuary rights)" before the end of the 20th day of February each year for the houses they own which meet the threshold for the previous year.</p> | | | | | | | | | | | | |
| 9. Income tax filing deadlines | <table border="1" data-bbox="424 1897 1457 2036"> <thead> <tr> <th data-bbox="424 1897 716 1946">Types of Form</th> <th data-bbox="716 1897 1011 1946"></th> <th data-bbox="1011 1897 1457 1946">Deadlines*</th> </tr> </thead> <tbody> <tr> <td data-bbox="424 1946 716 1995">Tax Return</td> <td data-bbox="716 1946 1011 1995">Individuals</td> <td data-bbox="1011 1946 1457 1995">31 March</td> </tr> <tr> <td data-bbox="424 1995 716 2036">Tax Return</td> <td data-bbox="716 1995 1011 2036">Companies</td> <td data-bbox="1011 1995 1457 2036">30 April</td> </tr> </tbody> </table> <p>Taxpayers can set a special accounting period if tax authority approve the related application.</p> | Types of Form | | Deadlines* | Tax Return | Individuals | 31 March | Tax Return | Companies | 30 April | | | |
| Types of Form | | Deadlines* | | | | | | | | | | | |
| Tax Return | Individuals | 31 March | | | | | | | | | | | |
| Tax Return | Companies | 30 April | | | | | | | | | | | |

**10.
Double tax
agreements**

There are approximately 80 DTA applied which contain almost all income issues without VAT.

Updated: June 2022

UNITED KINGDOM

2022 TAX CARD (IN GBP)

1. Basis of taxation

Income is taxed on a year basis and taxpayers are required to submit tax returns on a self-assessment basis. Subject to bilateral tax treaties, residents are taxed on their worldwide income whereas non-residents are taxed on their UK income.

The main taxes in the UK are as follows:

- taxes on income (income tax, national insurance and corporation tax)
- Sales tax (VAT)
- Capital Taxes
- Property Taxes
- Inheritance Tax

2. Corporate tax

The rate of corporation tax on profits other than ring fence profits is 19% for both large and small companies.

| Year to | 31.3.2022 | 31.3.2023 |
|--|-----------|-----------|
| Corporation Tax rate | 19% | 19% |
| Research & Development Relief (R&D) | 31.3.2022 | 31.3.2023 |
| SME enhanced expenditure deductions scheme* | 130% | 130% |
| Large company R&D Expenditure Credit (RDEC) scheme** | 13% | 13% |

*Additional deduction for qualifying R&D

**Taxable expenditure credit for qualifying R&D

SMEs that make losses can surrender the deduction to HMRC in exchange for a payment of 14.5% of the loss (capped at £20,000 plus 3 x PAYE & NIC for periods from 1.4.21).

| Main Capital Allowances | | |
|---|------------|------|
| Plant & Machinery | | |
| Expenditure 1.4.21 – 31.3.23 (companies only) - Super deduction (main pool expenditure) | | 130% |
| - First-year allowance (special rate pool) | | 50% |
| Annual Investment Allowance (AIA) | | |
| Expenditure 1.1.19 – 31.12.21 | £1,000,000 | 100% |
| Expenditure from 1.1.22 | £200,000 | 100% |
| Other rates | | |
| Energy/water efficient equipment | | 100% |
| Writing down allowance: General pool (reducing balance) | | 18% |
| Writing down allowance: Special rate pool (reducing balance) | | 6% |
| ** The special rate pool includes long life assets, integral plant in buildings, thermal insulation | | |
| Structures & Buildings allowance – Fixed deduction p.a. | | 3% |

Income tax is paid by individuals on monies earned from employment, self employment, pensions, rental income, trust income.

Please note, separate income tax rates apply to Scotland.

The personal allowances and rates are as follows:

| Income tax | | |
|--------------------------|---------|---------|
| Allowances | 2021/22 | 2021/22 |
| Personal Allowance (PA)* | £12,570 | £12,570 |
| Marriage Allowance** | £1,260 | £1,260 |
| Blind Person's Allowance | £2,520 | £2,600 |
| Rent A Room Relief*** | £7,500 | £7,500 |
| Trading Income*** | £1,000 | £1,000 |
| Property Income*** | £1,000 | £1,000 |

*PA will be withdrawn at £1 for every £2 by which "adjusted income" exceeds £100,000. There will therefore be no allowance given if adjusted income is above £125,140 (2020/21: £125,000)

**Part of the PA that is transferable to a spouse or civil partner who is not a higher or top rate taxpayer.

***If gross income exceeds it, the limit may be deducted instead of actual expenses

| Rate Bands | 2021/22 | 2021/22 |
|----------------------------------|-------------------|-------------------|
| Basic Rate Band (BRB) | £37,700 | £37,700 |
| Higher Rate Band (HRB) | £37,701 – 150,000 | £37,701 – 150,000 |
| Additional rate | Over 150,000 | Over 150,000 |
| Personal Savings Allowance (PSA) | | |
| Basic Rate Taxpayer | £1,000 | £1,000 |
| Higher Rate Taxpayer | £500 | £500 |
| Dividend Allowance | £2,000 | £2,000 |

BRB (Scotland: intermediate rate band) and additional rate threshold are increased by a person's pension contributions (up to a permitted limit) and Gift Aid donations.

| Tax Rates | 2021/22 | | | 2022/23 | | |
|--|---------|-----|-------|---------|-----|--------|
| Rates differ for General/ Savings/Dividend Income | G | S | D | G | S | D |
| Basic Rate | 20% | 20% | 7.5% | 20% | 20% | 8.75% |
| Higher Rate | 40% | 40% | 32.5% | 40% | 40% | 33.75% |
| Additional rate | 45% | 45% | 38.1% | 45% | 45% | 39.35% |

General income (salary, pensions, business profits, rent) usually uses personal allowances, basic rate and high rate bands before savings income (interest). Scottish taxpayers are taxed at different rates on general income (see below).

To the extent that savings income falls in the first £5,000 of the basic rate band, it is taxed at nil rather than 20%.

The PSA taxes interest at nil, where it would otherwise be taxable at 20% or 40%.

Dividends are normally taxed as the "top slice" of income. The DA taxes the first £2,000 of dividend income at nil, rather than the rate that would otherwise apply.

3. Income tax (cont.)

3. Income tax (cont.)

| Income Tax – Scotland | 2020/21 | | 2021/22 | |
|-----------------------|------------------|------|------------------|------|
| | Band | Rate | Band | Rate |
| Starter Rate | £2,097 | 19% | £2,162 | 19% |
| Basic Rate | £2,098-£12,726 | 20% | £2,163-£13,118 | 20% |
| Intermediate Rate | £12,727-£31,092 | 21% | £13,119-£31,092 | 21% |
| Higher Rate | £31,093-£150,000 | 41% | £31,093-£150,000 | 41% |
| Top Rate | Over £150,000 | 46% | Over £150,000 | 46% |

The Scottish rates and bands do not apply for savings and dividend income which are taxed at normal UK rates.

| Remittance basis charge | | |
|--|---------------------------|---------|
| For non-UK domiciled individuals who have been UK resident in at least | 2021/22 | 2022/23 |
| 7 of the preceding 9 tax years | £30,000 | £30,000 |
| 12 of the preceding 14 tax years | £60,000 | £60,000 |
| 15 of the preceding 20 tax years | Deemed to be UK domiciled | |

4. Goods and services tax

Value-added tax (“VAT”)

VAT is a tax on consumer expenditure and applies to goods and services supplied in the UK.

Liability to VAT is determined by the type of the transactions or products concerned, regardless of the personal situation of the liable person or customer. VAT is borne by the end-user since it is included in the sale price of products or services. Each intermediary (manufacturer, retailer, etc.) collects the tax provided from the customer and pays it to the UK Tax Authorities (HMRC). Deductions are available for VAT incurred on businesses expenditure.

The UK VAT rates are as follows:

| Remittance basis charge | |
|---|-------|
| Standard rate (1/6 of VAT-inclusive price) | 20% |
| Reduced rate (1/21 of VAT-inclusive price) | 5% |
| Tourism & hospitality sector 1.10.21 – 31.3.22. Reverts to 20% from 1.4.22 | 12.5% |
| Zero rate | 0% |

VAT returns and payments have to be done on a quarterly basis, although businesses who receive refunds of VAT can elect to use monthly returns.

VAT exemptions exist for taxable persons with low turnover.

Businesses and organizations are required to be registered for VAT in the UK if their taxable turnover in a 12-month period exceeds £85,000 or there is an expectation that turnover will exceed £85,000 in the next 30 days. Voluntary VAT registration is available for businesses and organizations with taxable turnover below the threshold level.

5. Inheritance tax

Inheritance Tax is a tax on the estate (the property, money and possessions) of someone who's died.

There is no Inheritance Tax to pay if either:

- the value of the estate is below £325,000; or
- All assets above £325,000 are left to a spouse, civil partner, a charity or a community amateur sports club.

If the estate's value is below the threshold, you'll still need to report it to HMRC.

If a home is gifted to children (including adopted, foster or stepchildren) or grandchildren the threshold can increase to £450,000.

If a person is married or in a civil partnership and an estate is worth less than the above the threshold, any unused threshold can be added to the partner's threshold one partner dies. This means their threshold can be as much as £900,000.

| Inheritance Tax | 2021/22 | 2021/22 |
|---|----------|----------|
| Nil rate band (NRB)* | £325,000 | £325,000 |
| NRB Residential enhancement** | £175,000 | £175,000 |
| Tax Rate on death*** | 40% | 40% |
| Tax Rate on lifetime transfers to most trusts | 20% | 20% |

*Up to 100% of the proportion of a deceased spouse's/civil partner's unused NRB and RNRB band may be claimed in increment the current NRB and RNRB when the survivor dies.

**RNRB is available for transfer of a main residence to direct descendants. It tapers away at the rate of £1 for every £2 of estate value above £2m.

***Rate reduced to 36% if at least 10% of the relevant estate is left to charity. Unlimited exemption for transfers between spouses/civil partners, except if UK domiciled transferor and foreign domiciled transferee, where maximum exemption £325,000.

| Reduced tax charge on gifts within 7 years of death | | | | | |
|---|------|-----|-----|-----|-----|
| Years before death | 0-3 | 3-4 | 4-5 | 5-6 | 6-7 |
| % of full death tax charge payable | 100% | 80% | 60% | 40% | 20% |

Annual exemptions for lifetime gifts include £3,000 per donor and £250 per recipient.

6. Land taxes

Property taxes have been devolved in the UK so different land taxes are applied for sales of land in different areas of the UK.

Stamp Duty Land Tax applies to England & Northern Ireland
 Land & Buildings Transaction Tax (LBTT) applies to Scotland
 Land Transaction Tax ("LTT") applies to Wales

An Annual Tax on Enveloped Dwellings (ATED) also applies to certain properties owned by a corporate structure.

Annual Tax on Enveloped Dwellings (ATED)

ATED applies to residential properties valued at more than £0.5m owned by a corporate structure, unless for a qualifying purposes

| Property value | Annual charge to | |
|----------------|------------------|-----------|
| | 31.3.2022 | 31.3.2023 |
| £0.5m - £1m | £3,700 | £3,800 |
| £1m - £2m | £7,500 | £7,700 |
| £2m - £5m | £25,300 | £26,050 |
| £5m - £10m | £59,100 | £60,900 |
| £10m - £20m | £118,600 | £122,250 |
| Over £20m | £237,400 | £244,750 |

Stamp Duty Land Tax (SDLT), Land & Building Transaction Tax (LBTT) and Land Transaction Tax (LTT)

Residential Property (1st Property only)

| SDLT – England & Ni | | LBTT Scotland | | LTT - Wales | |
|---------------------|--------------|---------------|--------------|-------------|--------------|
| £000 | Rate on Band | £000 | Rate on Band | £000 | Rate on Band |
| Up to 125 | Nil | Up to 145 | Nil | Up to 180 | Nil |
| 125-250 | 2% | 145-250 | 2% | 180-250 | 3.5% |
| 250-925 | 5% | 250-325 | 5% | 250-400 | 5% |
| 925-1,500 | 10% | 325-750 | 10% | 400-750 | 7.5% |
| Over 1500 | 12% | Over 750 | 12% | 750-1500 | 10% |
| | | | | Over 1500 | 12% |

LTT replaced SDLT in Wales from 1 April 2018

A supplement of 3% of the total purchases price applies for all three taxes where an additional residential property is purchased for more than £40,000 (unless replacing a main residence). It is also payable by all corporate purchasers.

For SDLT:

- Since 22.11.17, first time buyers purchasing a property of up to £500,000 pay a nil rate on the first £300,000 of purchase price;
- A 2% supplement applies where property is bought by a non-UK resident.
- A rate of 15% may apply to the total purchase price where the property is valued above £500,000 and purchased by a "non-natural person" (eg a company).

For LBTT:

- First-time buyer relief increases the nil rate band to £175,000

Non-residential or mixed-use property

| SDLT – England & Ni | | LBTT Scotland | | LTT - Wales | |
|---------------------|--------------|---------------|--------------|-------------|--------------|
| £000 | Rate on Band | £000 | Rate on Band | £000 | Rate on Band |
| Up to 150 | Nil | Up to 150 | Nil | Up to 225 | Nil |
| 150-250 | 2% | 150-250 | 1% | 225-250 | 1% |
| Over 250 | 5% | Over 250 | 5% | 250-1000 | 5% |
| | | | | Over 1000 | 6% |

6. Land taxes (cont.)

National insurance contributions are paid by UK workers (and employers) to fund certain state benefits.

| National Insurance Contributions (NIC) | | |
|--|---------------|---------------|
| Class 1 (Employees) | Employee | Employer |
| Main NIC rate | 13.25% | 15.05% |
| No NIC on first | £242 per week | £175 per week |
| Main rate* charge up to | £967 per week | No limit |
| 2% rate on earnings above | £967 per week | N/A |
| Employment allowances per business | N/A | £5,000 |

*Nil rate of employer NIC for employees under the age of 21 and apprentices under 25, up to £967pw.

**Some businesses do not qualify, including certain sole director companies and employers who have employer's Class 1 NIC liability of £100,000 or more for 2020/21. Employer contributions (at 13.8% are also due on most taxable benefits (Class 1A) and on tax paid on an employee's behalf under a PAYE settlement agreement (Class 1B).

Class 2 (Self Employed)

| | |
|-------------------------|--------|
| Flat rate per week | £3.05 |
| Small profits threshold | £6,725 |

Class 3 (Voluntary)

| | |
|-----------------------------|--------|
| Class 3: Flat rate per week | £15.85 |
|-----------------------------|--------|

Class 4 (Self Employed)

| | |
|-----------------------------|--------|
| On profits £9,568 - £50,270 | 10.25% |
| On profits over £50,270 | 3.25% |

7. National insurance

8. Key dates & filing deadlines

| Tax | Deadline | Year |
|-----------------------------------|------------|------|
| Income Tax Self Assessment | | |
| 1st payment on account | 31 January | 2023 |
| 2nd payment on account | 31 July | 2023 |
| Balancing Payment | 31 January | 2024 |
| Capital Gains Tax* | 31 January | 2024 |

*Non-residents with gains on UK residential property must pay CGT within 30 days of disposal unless already filing a self-assessment tax return

Other payment dates

| | | |
|--------------|------------|------|
| Class 1A NIC | 19 July | 2023 |
| Class 1B NIC | 19 October | 2023 |

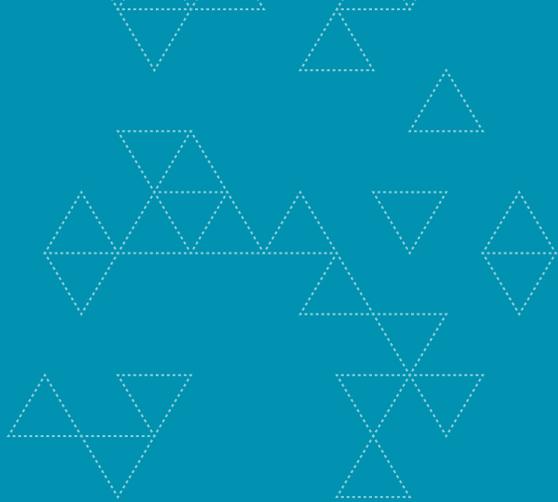
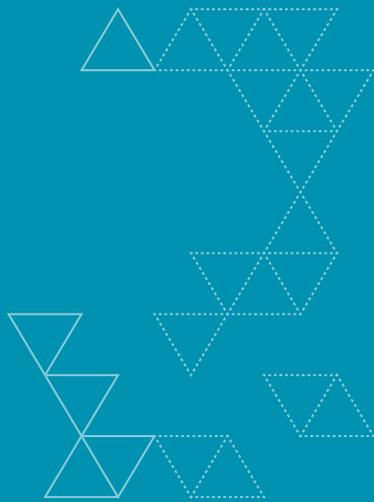
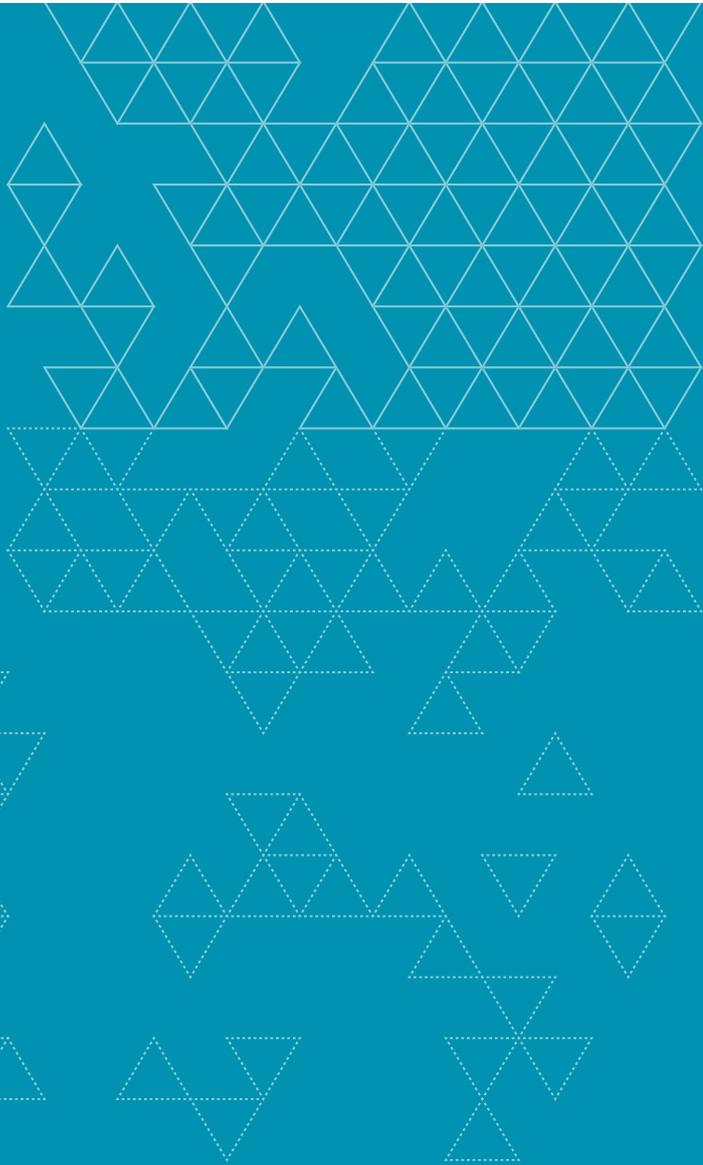
| 8. Key dates & filing deadlines (cont.) | <table border="1"> <thead> <tr> <th>Tax</th> <th>Deadline</th> <th>Year</th> </tr> </thead> <tbody> <tr> <td colspan="3">Corporation Tax is due 9 months and 1 day from the end of the accounting period, unless a "large" company paying by quarterly instalments</td> </tr> <tr> <td colspan="3">2019/20 Filing deadlines</td> </tr> <tr> <td>Issue P60s to employees</td> <td>31 May 2022</td> <td></td> </tr> <tr> <td>P11D, P11D(b)</td> <td>6 July 2022</td> <td></td> </tr> <tr> <td>Self-Assessment Tax Return (SATR) paper version</td> <td>31 October 2022</td> <td></td> </tr> <tr> <td>Online SATR if outstanding tax to be included in 2022/23 PAYE code</td> <td>30 December 2022</td> <td></td> </tr> <tr> <td>Online SATR</td> <td>31 January 2023</td> <td></td> </tr> </tbody> </table> | | | Tax | Deadline | Year | Corporation Tax is due 9 months and 1 day from the end of the accounting period, unless a "large" company paying by quarterly instalments | | | 2019/20 Filing deadlines | | | Issue P60s to employees | 31 May 2022 | | P11D, P11D(b) | 6 July 2022 | | Self-Assessment Tax Return (SATR) paper version | 31 October 2022 | | Online SATR if outstanding tax to be included in 2022/23 PAYE code | 30 December 2022 | | Online SATR | 31 January 2023 | | | | | | | |
|--|--|---|-------------------|-----|----------|----------------------|---|---------|----------------------|---------------------------------|---------|-------------|-------------------------|-------------|----------|---------------|-------------|-----------------------------------|---|-----------------|--------------------------------------|--|------------------|------------------------------|-------------|-----------------|------------------|-----|-----|--------------------------|-----|-----|--|
| | Tax | Deadline | Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Corporation Tax is due 9 months and 1 day from the end of the accounting period, unless a "large" company paying by quarterly instalments | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2019/20 Filing deadlines | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Issue P60s to employees | 31 May 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | P11D, P11D(b) | 6 July 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Self-Assessment Tax Return (SATR) paper version | 31 October 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Online SATR if outstanding tax to be included in 2022/23 PAYE code | 30 December 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Online SATR | 31 January 2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9. Double tax agreements | <p>The United Kingdom has double taxation treaties with many countries to ensure that people do not pay tax twice on the same income.</p> <p>For information on the UK's double taxable agreements, please visit: https://www.gov.uk/government/collections/tax-treaties.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 10. Capital tax | <p>Capital Gains is a tax on the profit when a person sells (or 'dispose of') an asset that has increased in value. The "gains" taxed, not the amount of money received, however there are some exemptions.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th colspan="3">Capital Gains Tax</th> </tr> <tr> <th>Annual exempt amount</th> <th>2021/22</th> <th>2022/23</th> </tr> </thead> <tbody> <tr> <td>Individuals, estates</td> <td>£12,300</td> <td>£12,300</td> </tr> <tr> <td>Most trusts</td> <td>£6,150</td> <td>£6,150</td> </tr> <tr> <th colspan="3">Tax Rate</th> </tr> <tr> <td>Individual (to basic rate limit)*</td> <td>10%</td> <td>10%</td> </tr> <tr> <td>Individual (above basic rate limit)*</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Entrepreneurs' Relief (ER)**</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Trusts, estates*</td> <td>10%</td> <td>10%</td> </tr> <tr> <td>Investors' Relief (IR)**</td> <td>10%</td> <td>10%</td> </tr> </tbody> </table> | | | Capital Gains Tax | | | Annual exempt amount | 2021/22 | 2022/23 | Individuals, estates | £12,300 | £12,300 | Most trusts | £6,150 | £6,150 | Tax Rate | | | Individual (to basic rate limit)* | 10% | 10% | Individual (above basic rate limit)* | 20% | 20% | Entrepreneurs' Relief (ER)** | 20% | 20% | Trusts, estates* | 10% | 10% | Investors' Relief (IR)** | 10% | 10% | |
| Capital Gains Tax | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annual exempt amount | | 2021/22 | 2022/23 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Individuals, estates | | £12,300 | £12,300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Most trusts | | £6,150 | £6,150 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax Rate | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Individual (to basic rate limit)* | | 10% | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Individual (above basic rate limit)* | | 20% | 20% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Entrepreneurs' Relief (ER)** | | 20% | 20% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trusts, estates* | 10% | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Investors' Relief (IR)** | 10% | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>*Individuals are taxed at 18%/28% on gains on residential property and receipts of carried interest. Trusts and estates are taxed at 28% in these circumstances.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>**Lifetime limit of £10m of qualifying gains. Various conditions apply.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Chiene+Tait
CHARTERED ACCOUNTANTS

Updated: June 2022

Firm: Chiene + Tait LLP
Contact: Iain Masterton | iain.Masterton@chiene.co.uk
(+44) 13 1558 5800

excellent.
connected.
individual.



For further information, or become involved, please contact:

AGN International
Email: info@agn.org | Office: +44 (0)20 7971 7373 | Web: www.agn.org

AGN International Ltd is a company limited by guarantee registered in England & Wales, number 3132548, registered office: 3 More London Riverside, London, SE1 2RE United Kingdom. AGN International Ltd (and its regional affiliates; together "AGN") is a not-for-profit worldwide membership association of separate and independent accounting and advisory businesses. AGN does not provide services to the clients of its members, which are provided by Members alone. AGN and its Members are not in partnership together, they are neither agents of nor obligate one another, and they are not responsible or liable for each other's services, actions or inactions.

