

FILING OF THE RETURNS AND PAYMENT OF THE TAX ON STOCK EXCHANGE TRANSACTIONS CARRIED OUT ABROAD POSTPONED UNTIL 30 JUNE 2017

On 24 February 2017, the Belgian tax administration announced the prolongation of the term for filing the returns and payment of the tax on stock exchange transactions carried out outside of Belgium until 30 June 2017.

TEMPORARY POSTPONEMENT

The tax on stock exchange transactions (“TOB” or “beurstaks”) is due on the purchase and sale of securities, as well as on the repurchase and the conversion of parts of certain UCITS. The tax rate ranges between 0,09% and 1,32%.

Since 1 January 2017, the tax on stock exchange has been extended to transactions effected by Belgian residents via financial institutions or (online) brokers established outside Belgium (Program Law of 25 December 2016). In this case, Belgian residents or their foreign financial operator who executed the transaction will, henceforth, have to file and pay the tax on stock exchange transactions.

The extension of the scope of the tax on stock exchange transactions towards transactions effected abroad has raised many legal and technical questions with private individuals and their foreign financial institutions.

Therefore, the Belgian tax administration has decided to postpone the obligations of filing and payment of the tax on stock exchange transactions until 30 June 2017 (Press Release of 24 February 2017). This administrative tolerance applies to both private individuals and financial institutions outside Belgium. The first filing and

payment of the tax on stock exchange transactions will, therefore, relate to the transactions executed between January and May 2017.

FISCAL REPRESENTATIVE

Financial operators who opt to file and pay the tax for their Belgian clients can appoint a fiscal representative in Belgium.

The terms and conditions for admission of a fiscal representative were set out by the Royal Decree of 16 February 2017 (Belgian Official Journal of 22 February 2017). For instance, the fiscal representative will have to provide proof of sufficient solvency to meet its obligations related to the tax on stock exchange transactions for at least one year. The fiscal representative will, therefore, have to comply with the same obligations which the Belgian financial institutions have to comply with regarding the filing, payment and control of the tax on stock exchange transactions.

ONLINE FORMS

Standard forms for the admission of a fiscal representative and the filing of the tax on stock exchange transactions are available on the Federal Public Service Finance website.

It is expected that the standard forms for the admission of a tax representative and the filing of the tax on stock exchange transactions will be adapted in order to simplify the obligations of the declarants.

Should you have any questions on this topic or require personal assistance, please contact:



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