



Payroll newsletter

Q4 2024

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1. The replacement of public holidays that occur in the weekend in 2025

With respect to the replacement of public holidays that occur in the weekend in 2025, we would like to point out that if the company wants to fix another replacement date, the decision must be taken at company level and needs to be communicated with the employee, before December 15, 2024.

A copy of the notice must be annexed to the work rules and must be sent to the Social Legislation Inspectorate.

2. Vacation days to be taken by the end of the year & sickness during vacation

The Belgian labour legislation stipulates that all (legal) vacation days of 2024 must be taken before the end of 2024. This also concerns overtime days (if applicable), as well as the inclusion of the recuperation days of public holidays and working time reduction days.

Please make your employees aware of these rules, to avoid discussions and concerns at year-end.

If an employee would be unable to take these vacation days, a payment of these days should be processed in the payroll of December.

Furthermore, as of January 1st, 2024, an employee who becomes ill during his/her vacation can transfer these vacation days on which he/she was ill to a later moment during the vacation year, at the latest to December 31st, 2024. The concerned employee must discuss when these days will be taken with the employer.

As of the vacation year 2024, employees can also transfer the legal vacation days, which they were unable to take due to certain legally stipulated suspensions of the employment agreement, for example sickness, up to 24 months after the end of the vacation year. Payment for these days does occur already in December of the vacation year.

3. Business travel expenses

Expenses proper to business travels could be reimbursed by the employer to the employee on a lump sum basis under certain conditions.

If an employee (or a director) does not receive a company car and uses his/her own vehicle for business travels (i.e. no commuting), the employer may grant the employee a lump sum allowance to cover the expenses proper to the use of the own vehicle for professional purposes.

The reimbursement of these business travel expenses can be done in two ways:

1. Reimbursement upon expense notes based on the actual expenses incurred.
2. Reimbursement by means of a fixed mileage allowance of 0,4293 EUR per kilometer (amount as of October 1, 2024).

Please note that the lump sum allowance is adjusted on a quarterly basis by the Belgian government.

4. Group insurance/hospitalisation insurance request for notification

If you have set up an extra-legal/employer group insurance (employer pension scheme) or hospitalization insurance for your employees, please inform us.

We require this information to process the payroll administration as completely and correctly as possible. With respect to the employer contributions to the group insurance, we also need to include a special social security contribution (equal to 8,86% on the paid premiums) in the quarterly Belgian social security return for the 4th quarter of 2024.

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5. Some highlights from the Flemish Government agreement

The Flemish Government agreement 2024-2029 has been published. Please find some of the highlights of this agreement, which will have an impact on employers, below:

- **Enhanced activation of job seekers, long-term sickness and non-active individuals.**

- **Workable work:**

- > Service vouchers and childcare are reinforced as key instruments to make balancing work and personal life more manageable.

- **Training:**

- > The federal government is asked to abolish the 'Federal Learning Account' tool.

- > Flemish Training Leave: anchoring the right to training for employees through both individual and collective initiative rights under the Flemish Training Leave (FTL). However, the FTL is being reformed, with an emphasis on shortage occupations.

- > The IVO (individual vocational training) and workplace learning initiatives are reformed to better address labor market shortages.

- **International Employment:**

- > The processing time for the single permit application is being reviewed. The Flemish government will consider the possibility of a 'fast lane'.

- > The processing time for work permits B will be further shortened where possible, provided that the working conditions are respected.

- **Corporate Social Responsibility:**

- > Regarding the implementation of the European Corporate Sustainability Due Diligence Directive (CS3D), administrative simplicity is recommended, with the necessary support for SMEs.

Our teams will follow up on this and will keep you informed about any changes to may involve you.

6. Annual action plan 2025: submitting to the Committee for Prevention and Protection at Work by November 2024

Every employer has the obligation to draft a welfare policy which contains the aims to prevent or reduce occupational risks and to protect the well-being of the employees.



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Therefore, a global prevention plan must be drafted containing the prevention activities to be developed and applied.

This plan is valid for 5 years but must be adapted yearly where necessary.

Thus, every year, the employer must draft an annual action plan containing the points that further implement the abovementioned global prevention plan, i.e. the concrete actions for the next calendar year.

This action plan must each year be submitted by the employer by November 1st at the latest for advice to the Committee for Prevention and Protection at Work (CPPW).

If there is no CPPW in the company, it must be submitted to the union delegation.

If there is no union delegation, the employees themselves must be consulted.

If you have any further questions regarding this plan, do not hesitate to contact us at payroll.be@forvismazars.com.

7. Adjusted ceiling wage educational leave/Flemish training leave as of September 2024 & reimbursement request educational leave Brussels - deadline 31/12/2024

An employee who takes educational leave is entitled to the payment of his/her normal salary. This is, however, limited to a cap, unless the employer agrees to maintain the normal salary.

The salary cap is adjusted annually on September 1st. As of September 1st, 2024, the monthly capped gross wage is 3.641 EUR.

Furthermore, for the employer whose employee(s) take(s) paid educational leave and who has an establishment unit in the Brussels-Capital Region, the request for a reimbursement for the hours of paid educational leave taken by an employee must be filed by December 31st, 2024, at the latest.

Should you need assistance with such a request, do not hesitate to contact us at payroll.be@forvismazars.com.

8. Decrease mileage allowance for commuting and professional travels with private vehicle

As of October 1, 2024, the maximum monthly mileage allowance for commuting and professional travel with a private vehicle, allowed by the NSSO and tax authorities, is adjusted to 0,4293 EUR/km. This amount is valid until December 31, 2024.

This amount is updated every quarter to adjust more quickly to fluctuations in fuel prices.

This is a lump sum net amount which an employer can grant to its employees who use private cars for their professional travel. There is no need to prove the exact amount of these costs.

Should you wish to receive more information on this topic, please contact us at payroll.be@forvismazars.com.



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9. Clarification over R&D wage tax exemption tax regime

What is the regime on the exemption of payment of withholding tax (WHT)?

As a reminder, under certain conditions, Belgian employers pursuing R&D activities can be eligible to a special regime, which consists of still retaining 100% of the Belgian wage withholding tax on their employees' remuneration but authorize them to only pay 20% of the withheld wage tax to the Belgian tax authorities (i.e. 80% exemption).

What clarifications did the Antwerp Court of Appeal provide?

In four recent decisions, the Antwerp Court of Appeal has clarified the interpretation of the principles governing the registration of structural R&D programs with Belspo (public organization in charge of R&D registration programs):

1. If a general R&D program is registered, it is not necessary to re-register each specific project within the program.

2. A schedule of the R&D program can be provided only as an estimate (except in case of abuse, e.g., an end date in 2099).

3. Belspo opinions are non-binding for verifying legal conditions, but they serve as elements of proof.

4. The exemption from WHT payment applies proportionately to the time spent by employees on R&D activities. This proportion can be calculated based on Timesheets. Therefore, to cover themselves, it is better for the employers to apply a slightly lower percentage than the one indicated on the Timesheets.

These clarifications from the Court are good news for legal certainty!

If you wish to receive more information, or assistance on the topics above, please don't hesitate to contact us.



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10. Birth leave: monthly payment of benefits starting from January 1, 2025

The birth of a child entitles the father or co-parent to 20 days of birth leave. Belgian employees must take this leave within four months from the date of childbirth. These leave days can be taken immediately after the birth or spread out over time. For the first three days of the birth leave, employees receive their regular salary from the employer. The remaining 17 days are compensated by the health insurance fund.

Until now, benefits have been paid out only after the four-month period, because the employer could only submit one declaration regarding the birth leave. Starting January 1, 2025, monthly declarations will be possible. As a result, the health insurance fund will implement a monthly payment system, allowing employees to receive their allowance more quickly.

Please ensure that the days of birth leave are communicated accurately to your payroll consultant so the monthly declarations can be done in time, enabling the employees to receive their benefits promptly.

11. Prognosis indexation percentage for January 2025 (JLC 200)

Each year in January, salaries are adjusted to the cost of living for employees of companies subject to Joint Labor Committee 200 (JLC 200). In Belgium, this is referred to as the indexation of salaries.

This indexation is a mechanism whereby salaries are linked to the evolution of the flattened health index. The monthly salary is more specifically increased by a percentage equal to the inflation rate of the previous calendar year. The indexation system as foreseen by JLC 200 is applicable to all employees falling under the scope of this Joint Labor Committee.

Based on current forecasts, we expect that the indexation percentage for January 2025 will be approximately 3.52%.

We will inform you of the final index percentage by early January 2025 at the latest.



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12. Deadlines

Belgian social security contributions	Due dates
1st advance of Q4/2024	October 5th, 2024
2nd advance of Q4/2024	November 5th, 2024
3rd advance of Q4/2024	December 5th, 2024
Balance Q4/2024 (October - December)	July 31st, 2025

Wage withholding taxes (monthly basis)	Due dates
October 2024	November 15th, 2024
November 2024	December 15th, 2024
December 2024	January 15th, 2025

Belgian non-resident income tax return
November 22th 2024 Filing of the Belgian non-resident income tax return for assessment year 2024 (income year 2023).

13. Email address change

Following the launch of the Forvis Mazars network, our email address will be changing to reflect our new, unified brand identity.

Effective October 1st, our new email address will be:

'payroll.be@forvismazars.com'

Please update your records and begin using this email address from the effective date.

Rest assured that any emails sent to our current address will be automatically forwarded to our new address for a period of time to ensure a smooth transition.

Please note it is worth highlighting this change to your IT team since the new domain of @forvismazars.com may need to be added to their security list of allowable addresses.

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