



Payroll Newsletter
Q1 2025

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1. Indexations January 2025

Joint labour committee	Indexation
JLC 200	3,58%
JLC 220	3.57%
JLC 226	3.58%

2. Overview public holidays 2025

Below is an overview of the Belgian public holidays for 2025:

Public Holiday	Date
New Year's Day	Wednesday, January 1, 2025
Easter Monday	Monday, April 21, 2025
Labour Day	Thursday, May 1, 2025
Ascension Day	Thursday, May 29, 2025
Whit Monday	Monday, June 9, 2025
Belgian National Holiday	Monday, July 21, 2025
Assumption Day	Friday, August 15, 2025
All Saints' Day	Saturday, November 1, 2025
Armistice	Tuesday, November 11, 2025
Christmas	Thursday, December 25, 2025

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The employer must pay the normal salary for these public holidays.

When a public holiday falls on a Sunday or another day which is normally a non-working day, it must be replaced by a replacement day on a normal working day. In 2025, this is the case for the public holiday of November 1st. Please inform your payroll consultant when the employee(s) will take this replacement day so that this will be processed correctly in the payroll.

3. Several types of vacation

In general, Belgian law provides that full-time employees are entitled to 20 legal vacation days each year. Each employee subject to the Belgian social security regime builds up vacation rights for these days during the 'holiday service year' (2024). Only in the following calendar year, the so-called 'holiday year' (2025), the employee may take his/her leave days. Whether you get the full amount or only part of it depends on the number of days you worked in the previous year.

Certain sectors also work with working time reduction days: e.g. an employee working 40 hours in a sector where the 38-hour week is in force, saves two extra hours of leave every week worked. On an annual basis, the

employee is then entitled to 12 extra working time reduction days.

The significant difference between legal vacation days and working time reduction days is that the latter are calculated based on the performance in the current year of service (2025), while the legal vacation days are calculated based on the holiday service year (2024).

In addition, an employer may decide to grant his personnel additional (extra-legal) vacation days on top of the legal vacation days. The rules to grant these are entirely up to the employer. These holidays are often granted for unofficial holidays (such as second Christmas or bridging days).

The main advantage of extra-legal vacation days is that the employer can decide whether the employee can carry over these holidays to the following year or whether this is limited to a certain period. This carry-over is not possible for the 20 legal vacation days (unless in case of force majeure) nor for the working time reduction days. If your payroll is already processed by Forvis Mazars, we have already set up the vacation counters for 2025.

If you have any questions regarding the above or require further advice with respect to the different types of holidays in Belgium, please contact one of our payroll consultant.



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4. Adjustment of mileage allowance as from January 1, 2025

Employees who use their own car to travel for professional purposes, can receive a reimbursement from their employer for the car costs incurred.

As from January 1, 2025 the mileage allowance (total amount accepted by the NSSO) amounts to 0,4290 euro per kilometre. This amount is applicable for a period from January 1, 2025 until March 31, 2025.

The amount that was applicable from 1 October 2024 until 31 December 2024 was 0,4293 EUR per kilometre. Note that there is a slight reduction compared to the previous amount.

As an alternative, it is also possible to opt for the annual indexation of the mileage allowance. An employer can choose between the quarterly indexed amounts or the annual indexed amount, which currently amounts to 0,4415 EUR per kilometer for the period from 1 July 2024 to 30 June 2025. In the latter case, the employer should thus maintain the same amount during the entire period.

We reiterate that the number of kilometers per year for which a mileage allowance is granted, should be limited to max. 24.000 kilometers per year.

The quarterly and yearly indexed amounts are maximum amounts. Employers can also reimburse the driven kilometers at a lower rate without discussion on the lump sum amount per kilometer. A higher reimbursement is also possible, but in that case, the burden of proof lies with the employer and the employee. They should be able to prove that the allowance granted is in line with the actual cost.



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5. Changes to the Statutory Retirement Age

We inform you about an important change regarding the statutory retirement age in Belgium.

For pensions starting before February 1, 2025, the statutory retirement age remains 65 years.

If the pension starts between February 1, 2025, and January 31, 2030, the statutory retirement age will be raised to 66 years. This applies to employees born between January 1, 1960, and December 31, 1963.

For employees born on or after January 1, 1964, the statutory retirement age will be raised to 67 years.

6. Benefit in kind for company car – New reference CO2 emission rates

The reference CO2 emission rate used in the formula to calculate the benefit in kind of a company car has been updated for 2025:

	2024	2025
Petrol, LPG or Natural gas	78 g/km	71 g/km
Diesel	65 g/km	59 g/km

Here are the new formulas for 2025:

	Formula 2025
Petrol, LPG or Natural gas	Catalogue value x quotient date of first im- matriculation x 6/7 x (5,5% + 0,1% + (CO ² emission – 71))
Diesel	Catalogue value x quotient date of first im- matriculation x 6/7 x (5,5% + 0,1% + (CO ² emission – 59))
Electric	Catalogue value x quotient date of first im- matriculation x 4% x 6/7

As such, for petrol and diesel cars, the benefit in kind will increase during 2025 following the above update of the reference CO² emission.

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7. Reimbursements electricity costs for company cars

A new circular letter has been published by the Belgian tax authorities explaining the different regulations when employers would pay the cost of the electricity to recharge hybrid and electric company cars in Belgium.

But, what if the employer would reimburse the employee for the electricity costs of home charging?

According to the position of the Minister of Finance, it was only possible to reimburse these electricity costs based on actual expenses, which is practically very complex, as it requires taking several factors into account (e.g. day and night

rates; fixed, variable or dynamic energy contract, contract change(s) throughout the year; electricity via solar panels; home battery, etc.).

Awaiting a specific regulation on this matter, a temporary solution (from January 1, 2025, to December 31, 2025 – can be prolonged) has been agreed upon in which a flat-rate reimbursement based on a “CREG rate” will be accepted, even though the principle remains reimbursement based on actual costs. The maximum flat rate per kWh will be published quarterly for each Region by the Belgian tax authorities.

For the first quarter of 2025, the maximum rate per kWh is:

	Maximum rate
Flemish Region	28,22 EUR/kWh
Brussels-Capital Region	32,94 EUR/kWh
Walloon Region	32,56 EUR/kWh



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8. Voluntary relance hours in Q1 and Q2 2025

In 2021, following the corona crisis, the Belgian government introduced an increase in voluntary overtime. Among other things, these so-called 'relance hours' are exempt from Belgian social security contributions, Belgian withholding tax and Belgian income tax.

These relance hours also do not trigger overtime pay nor catch-up rest. This measure remains valid through June 30, 2025. Employees can perform 120 relance hours for the period from January 1, 2025 until June 30, 2025. These 120 relance hours are in addition to the 100 voluntary overtime hours per year.

If you have any questions or require further guidance on overtime payment or relance hours, please contact our payroll team.

9. Extension of adoption and foster parent leave

As of January 1, 2025, the additional credit for adoptive and foster parents will be increased from 3 to 4 weeks.

In total, as of January 1, 2025, each adoptive or foster parent will be entitled to 6 weeks of leave and can be extended by an additional 4 weeks to be divided between these parents.

10. Increased bicycle allowance

All private sector employees who cycle to work are entitled to a bicycle allowance (under certain conditions). A general right to a bicycle allowance was established in collective labour agreement ('CLA') no. 164. This to encourage commuting by bicycle. In case there is no specific sectoral CLA, this regulation should be applied. As of January 1, 2025, this bicycle allowance has been increased to 0,36 EUR per kilometre.



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This allowance is exempt from Belgian social security contributions and Belgian income taxes and is indexed annually.

In addition, note that an annual threshold for the tax exemption has been introduced

in 2024. The limit is 3.500 EUR / year. In case of exceeding this limit, the balance is subject to Belgian wage withholding tax and Belgian social security contributions.

11. Mobility budget: Increased limits

The mobility budget is a budget that the employer can grant to an employee as an alternative to the company car to which they are entitled.

This mobility budget offers employees the choice to completely replace the company car they have or to which they are entitled with sustainable means of transport, or to choose a mix of a greener company car and these sustainable means of transport.

The amount of the mobility budget equals a minimum of 3.000 EUR and a maximum of one-fifth of the total gross salary, with an absolute maximum of 16.000 EUR per calendar year. These limits are indexed each year. The amounts for 2025 are 3.164 EUR (minimum) and 16.875 EUR (maximum).

If you have any questions about the mobility budget or would like to discuss implementing a mobility budget for your company, please contact our payroll team.

12. Limitation of wage seizure and wage transfer

As a reminder, when the creditor is seeking to obtain payment of the amounts due to him by his debtor, he may request to withhold the debt directly with the employer of the debtor. The creditor can do this by seizure or transfer on the net salary of the employee.

Please note that only a part of the net salary can be transferred or seized. Indeed, the law provides income brackets in which the amount that can be transferred or seized, is determined.

The method of calculating these amounts differs depending on whether it concerns professional or replacement income.

These new amounts subject to transfer or seizure must be applied for all payments made from January 1, 2025.

If the employee only receives a replacement income (for example, during long-term illness), the law does not apply the intermediate income limit of 30%.



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Old (net) threshold	Seizure rate	New (net) threshold
0 – 1.341 EUR	No seizure/transfer	0 – 1.388 EUR
1.341,01 – 1.440 EUR	20%	1.388,01 – 1.492 EUR
1.440,01 – 1.589 EUR	30%	1.492,01 – 1.646 EUR
1.589,01 – 1.738 EUR	40%	1.646,01 – 1.800 EUR
From 1.738,01 EUR	100%	From 1.800,01 EUR

13. Adjusted wage limits for 2025

As from January 1, 2025, the salary ceilings from the Employment Contracts Act have increased due to annual indexation. The ceilings are important for the application of both the training clause and non-compete clause.

Legal basic amount	Indexed amount in 2024	Indexed amount in 2025	Impact on
16.100 EUR	> 41.969 EUR	> 43.106 EUR	Non-compete clause (for functions defined by CLA) and training clause
32.200 euro	> 83.939 EUR	> 86.212 EUR	Non-compete clause (for functions prohibited by CLA)

If you have any questions or require further guidance on the training clause or non-compete clause, please contact our payroll team.

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14. Non-recurring result-related bonus: amounts 2025

A non-recurring result-related bonus is tied to the collective results of a company, a group of companies or a defined group of employees, based on objective criteria.

This system allows the employer to grant an advantageous bonus based on collective objectives. Up to a certain amount, this bonus enjoys a favourable Belgian social security and tax treatment. The bonus limit is adjusted as from January 1, 2025:

- From a social security perspective:
 - the employee must pay a solidarity contribution of 13.07% on the amount granted.
 - the employer must pay an employer contribution of 33% on the amount awarded.

These contributions are payable to the extent that the bonus does not exceed a certain limit. Otherwise, the excess amount will be subject to ordinary Belgian social security contributions. For 2025, the limit amount is 4.164 EUR per employee.

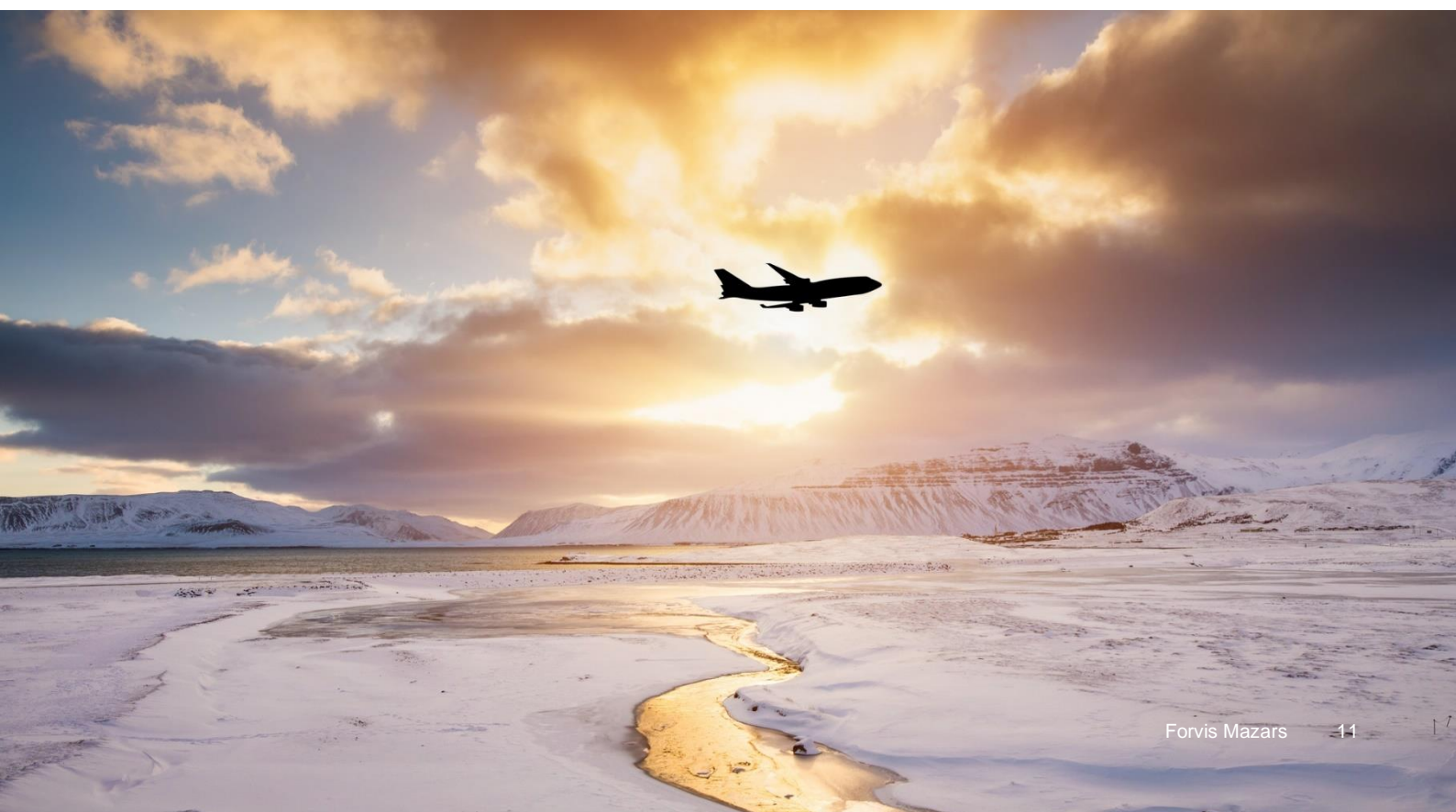
- From a tax perspective, no Belgian wage withholding tax will be withheld if the limit amount is not exceeded.

For 2025, this limit amount is 3.622 EUR per employee.

15. Limited student working hours to 475 in 2025

Until December 31, 2022, the limit was set at 475 hours per calendar year. The Belgian government then decided to temporarily increase this limit to 600 hours for the years 2023-2024 (600 hours in 2023 and 600 hours in 2024).

The NSSO confirms that the limit for students has again been reduced to 475 hours as from January 1, 2025.



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Why entering into a Student Employment Contract ?

A student employment contract offers the advantage that the salaries paid to the student are not subject to regular Belgian social security contributions; only a solidarity contribution of 8.14% is due, of which 2.71% is borne by the student and 5.43% by the employer. It is provided that the student does not exceed their annual limit.

What is the limit that must be respected?

The limit is the number of working hours that must not be exceeded. These hours can be spread freely over the year, i.e., from January 1st to December 31st, with one or several employers. The hour counter is reset to zero at the beginning of each calendar year. In case the student exceeds the limit, the employment is subject to the regular Belgian social security contributions of approximately 27% borne

by the employer and 13.07% due by the student/employee. Moreover, vacation pay will be due as well as in some cases some sectoral premiums and benefits.

Is this decrease final?

Two legislative proposals were introduced in October 2024 to expand the limit either permanently (legislative proposal of Oct. 24) or temporarily (legislative proposal Nov. 27) to 600 hours starting in 2025. However, there is no current update on these proposals.

In addition, another legislative proposal was introduced which goes way further than an expansion of the limit and aims to lift all restrictions within the student job system. Not only the limit would be abolished, but under this proposal, the students would remain dependent on the parent(s) each time they earn additional income through student employment regardless of the amount of this student income.



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16. New Belgian government - Government agreement 2025-2029

Since end of January 2025 we have a new federal government in Belgium. Following the extensive negotiations of the last months, a lot of new tax, legal and economic measures have been announced. We will inform you about the proposed changes for employers and employees in further details in a separate newsletter.

For now, we have already summarised the most important changes in our [tax and legal newsletter](#).

If you have already any questions on this, do not hesitate to contact us.

17. Deadlines

Belgian tax form 281.10/20 (2024)

February 29, 2025

Belgian social security contributions	Due dates
Balance Q4/2024 (October – December)	January 31, 2025
1 st advance of Q1/2025	February 5, 2025
2 nd advance of Q1/2025	March 5, 2025
3 rd advance of Q1/2025	April 5, 2025
Balance Q1/2025 (January – March)	April 30, 2025

Wage withholding taxes (monthly basis)	Due dates
January 2025	February 15, 2025
February 2025	March 15, 2025
March 2025	April 15, 2025
April 2025	May 12, 2025

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