



Create > Exchange > Grow

# Wallonia / Belgium

## > A business-friendly environment

Wallonia, a historic and beautiful region of southern Belgium, has introduced a series of fiscal and financial incentives attracting investors and business initiatives from all over the world. The success of this strategy is evident in the portfolio of famous companies that have recently taken the decision to invest in Wallonia: Johnson & Johnson, Google, Unisys, Baxter Healthcare, TNT...

### Smart Taxation!

#### > Enjoy one of the lowest corporate tax rates in Europe!

SMEs with a taxable base not exceeding € 322,261 benefit from a nominal tax rate of only 24.98%. Moreover, expenses deductible against tax include goods and services (subsistence costs, air travel, rental charges, etc.) in addition to salaries, social security and pension contributions, and depreciation. Tax losses can be deducted and deferred to following financial years. Taxes on power and surface area have been abolished. And there is no local business tax!

> Benefit from a 'notional interest deduction' scheme that grants additional tax deductions to companies to allow for the cost of capital.

> Avoid double taxation, thanks to bilateral treaties with other countries!

> Know the temperature of the water before you dive in! Potential investors have access to a special service providing advance rulings on the tax treatment to be applied once an investment decision is taken. The result is an accurate and legally binding forecast of all the implications of an investment project: corporate tax, personal income tax, VAT, customs duties and capital levies. So there will be no unpleasant surprises later on!

> Specific urban and rural population centres have been designated 'free zones', where additional financial resources are applied to minimise taxes applicable to startups.

> A streamlined 'one-stop-shop' fiscal service, fast, professional and confidential, with a single centralised file and state-of-the-art tools provides e-tax access via a federal Internet portal to the tax administration's services.

#### > plus other new initiatives...

- an exemption of 25% on withholding tax on the salaries of R&D personnel working in the private sector;
- an 80% reduction in the taxation on royalties from new products on which the patents are assigned to Wallonia. This dramatic tax cut will make the region one of the most tax-friendly areas in the world for intellectual property!

### Alluring Incentives!

Together with the European Regional Development Fund, the Government of Wallonia has developed a package of investment subsidies. SMEs and large companies investing in land, buildings, equipment and intellectual property (patents, licences, technical know-how) are eligible to the incentives. They vary according to the location, the nature of the activities, the number of jobs created and the company size. The level of incentives is up to 35 % and is generally supplemented by a real estate tax exemption on 5 years.

### Interested?

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