



# EXPAT TAXATION DENMARK

Foreign contractors working in Denmark are tax liable from day one. For skilled and highly paid workers, the Danish tax authorities have created a competitive tax solution, which offers the lowest possible tax rate. The Expat taxation scheme (§48e) is an alternative to the normal Danish progressive income tax and is based on a flat overall income tax rate of 32.84 % (8% + 27%). With very low social security contributions in Denmark your retention rate will be in the range of 66%.

GTS Nordic, as employer of record, will submit the application for the Expat taxation, but qualifying is subject to approval by the Danish tax authorities.

For workers with limited tax liability, only the income derived from working in Denmark must be reported to the Danish tax authorities. Since taxes are settled on a monthly basis, no tax returns or similar will need to be submitted for workers on Expat taxation. Documentation of tax registration, reporting, and payments can be sent to the end client as proof of compliance.



## To qualify for the Expat taxation scheme in 2021 the following requirements must be met:

You must not have been taxed in Denmark for the past 10 years (existing Expat taxation may be continued)

You must have an average monthly on-site gross salary of minimum DKK 69.700 (approx. € 9.400)

An employment contract with GTS Nordic during the assignment

Expat taxation is available for a total of seven years during a person's lifetime, assuming that the above qualifiers have been met