

Tax Newsletter

July 2025

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HR tax update

- The one-off payment of a premium when the company celebrates its jubilee is (up to EUR 500) a tax-free social benefit for the employee whilst the cost is disallowed for the employer (Decision 2020.1849). However, a premium of EUR 1.000 gives rise to a taxable benefit in kind (BIK), also as it was mentioned in a Collective Labor Agreement (Decision 2024.0511).
- Free fruit for immediate consumption at work is a tax-free social benefit and the cost is tax-deductible for the employer (Ci.RH 242/618.836). This also applies to 'smoothies' (Vr. en Antw. Kamer, 2024-2025, n° 56-009, 163).
- A cafeteria plan is a flexible reward system as the employee can compose his own salary package. The possible BIK only arises when the employee converts his units into benefits (Decision 2024.0557).
- If the employee only uses a company bike or pedelec for both commuting and private use purposes, he earns a tax-free social benefit if he claims the lump-sum cost deduction. The costs are tax-deductible for the employer. This applies to both the use and maintenance of the bike, incl. accessories (e.g. light, bag, battery, charger, drinking bottle and bike lock) equal to maximum 20% of the bike leasing cost (Decision 2023.0333). A bike helmet and fluorescent vest are no 'accessories', but still qualify as tax-free social benefit, be it that the costs are disallowed for the employer.
- If the employer provides a bicycle seat, bicycle trailer or rain cape, a taxable BIK arises (Vr. en Antw. Kamer, 2023-2024, n° 55-127, 194).
- If, e.g. at a leasing contract maturity date, the employer transfers the bike to the employee, the latter is taxed on a BIK equal to the market value of the bike.
- A 'step' is no 'bike' and, therefore, a company step gives rise to a taxable BIK equal to the actual value of the benefit for the employee. If the latter uses the step for commuting purposes, he can claim a EUR 490 (tax year 2025) lump-sum cost deduction. These costs are tax-deductible for the employer.
- If the employer reimburses parking costs for a bike or car incurred by the employee when commuting, this is a tax-free allowance covering costs proper to the employer. These costs are tax-deductible for the employer (Decision 2024.0355).
- When the employee receives a digital note book (*smart paper tablet*) no BIK arises if the employer sees to it that there is no private use (Decision 2024.0616).