

Overview of European-based special tax regimes for expats

June 2025

BELGIUM

EXPAT TAX REGIME OVERVIEW

FEATURES AND BENEFITS

- › 30% expat allowance (max 90k / year) on top of the gross salary free from tax and social security
 - › no supporting docs required
 - › (!) but must be contractually agreed upon

Example: 77k gross annual salary + 23k expat allowance

- › Additional tax and social security free reimbursements (proof required):
 1. school fees (for schools in Belgium)
 2. moving costs (to Belgium)
 3. relocation costs (first 6 months after arrival)
- › Normal tax residency rules apply
- › Benefits likely to increase under new Belgian government (35%, 70k threshold and removal of 90k cap)

MAXIMUM DURATION

5 years + potential extension of 3 years = 8 years max. in total



PERSONNEL SCOPE

- › No nationality conditions (Belgian / foreign nationality allowed)
- › 60 months prior to entry into service, the taxpayer may not:
 1. have lived within 150 kilometer from the Belgian border
 2. have been Belgian tax resident
 3. have been subject to Belgian non-resident tax

MATERIAL SCOPE

- › Minimum gross salary of 75k / year
- › "*Recruited directly abroad*" OR "*assigned by a foreign enterprise*"
- › For employees AND executive directors
- › Specific conditions for researchers
 - › no salary threshold
 - › degree or 10-year experience
 - › 80% R&D activities

FORMALITIES

Application to be filed within 3 months

CYPRUS

EXPAT TAX REGIME OVERVIEW

PERSONNEL SCOPE

- › No nationality conditions (Cyprus / foreign nationality allowed)
- › Applicable for individuals who were residents for tax purposes outside Cyprus for a period of at least 15 consecutive tax years immediately prior to the year of commencement of their first employment in Cyprus and their annual employment income upon arrival to Cyprus exceeds €55,000.
- › Employees are considered to have their "first employment" in Cyprus if they did not exercise any type of employment in Cyprus for 15 consecutive tax years.

FORMALITIES

- › No application is required. The exemption is claimed at the time of filing the income tax return.

FEATURES AND BENEFITS

- › Qualifying employees are eligible for an exemption that amounts to 50% of their employment income, resulting to an effective tax rate below 17.5%

MAXIMUM DURATION

- › 17 years

MATERIAL SCOPE

- › Annual employment income greater than €55,000
- › Employees who do not meet the €55,000 threshold may be eligible for a different regime



FRANCE

EXPAT TAX REGIME OVERVIEW – INCOME TAX



MATERIAL SCOPE

- › No salary threshold

PERSONNEL SCOPE

- › No nationality conditions (French/foreign nationality allowed)

Conditions to be met :

- › employee must become French tax resident
- › employee must not have been French tax resident at any moment during the 5 calendar years preceding the year of arrival in France
- › additional compensation or benefits must be directly connected with impatriation
- › elements of remuneration must distinctly appear in the working contract of the impatriate, established prior to the exercise of its activities in France
- › such elements of remuneration are valid if the basic taxable salary is commensurate with what is paid in France to employees in a similar position (notion of reference salary)

FEATURES AND BENEFITS

- › Full exemption of the benefit granted in relation with the impatriation within the limit of the reference salary.

Example: remuneration 100K€ + 25K€ impatriation bonus+ COLA. If the reference salary is 100K€, the bonus is fully exempted. But if the reference salary is 110K€ only 15K€ will be exempted.

- › Upon election, possibility to exempt a lump sum of 30% maximum.

Example: total remuneration 150k€. Maximal exemption is 30% = 45K€. If the reference salary is 110K€, only 35K€ will be exempted.

- › Additional exemption is granted for foreign working days.
- › Partial exemption is granted for portfolio revenues (interests, dividends, capital gains and royalties)

MAXIMUM DURATION

Until 31 December of the 8th year following the arrival year (= maximum 9 years)

FORMALITIES

No prior ruling requested

FRANCE

EXPAT TAX REGIME OVERVIEW PENSION CONTRIBUTIONS



MATERIAL SCOPE

- › No salary threshold

PERSONNEL SCOPE

No nationality conditions

Conditions to be met:

- › the employee must not have been affiliated into a compulsory French pension regime during the 5 preceding years
- › the employee must have contributed for a minimal amount of 20,000€ per year in another pension including private pension funds

FEATURES AND BENEFITS

Full exemption of the French employer's and employee's pension contributions

FORMALITIES

Authorization must be requested from the French social security authorities. Authorization can be granted retroactively

MAXIMUM DURATION

36 months. A renewal is possible for 36 additional months

ITALY

TAX REGIME FOR IMPATRIATE WORKERS OVERVIEW

PERSONNEL SCOPE

Rules applicable to individuals who relocate to Italy starting from January 2024. The workers must:

1. NOT have been resident in Italy in the 3 tax periods prior to their transfer*
2. undertake to reside in Italy for at least 4 years
3. perform a work activity in Italy for most part of the year
4. have achieved at least a 3-year university degree

*if the employee works in Italy for the same group for which he/she worked abroad, the condition of prior residence abroad is extended to 6 or 7 years, depending on whether the employee was previously (i.e., before the relocation abroad) employed in Italy by the same group or not

FORMALITIES

No application to be filed with Italian Tax Authorities.
The employee has to request the application of the special tax regime to the employer.

FEATURES AND BENEFITS

- › The employment income or self-employment income is taxable only for 50%
- › The share of taxable income is reduced to 40% if the worker relocates to Italy with a minor child or has a child during the period of validity of the regime
- › The reduced quota of taxable income is subject to personal income tax at the ordinary progressive rates

MATERIAL SCOPE

The tax relief applies to:

- › employment and self-employment income
- › a maximum annual income of 600,000 euros. The part of remuneration exceeding such threshold is subject to ordinary personal income taxation.

Items of income not covered by the regime (e.g. financial income, rental income...) are subject to the ordinary personal income tax rules.

In case of employment income, the employer might also be a non-Italian entity, to the extent that work is mainly performed in Italy.

By contrast, in case of directors' fees, the regime is not applicable if the board fee is paid by a non-Italian entity.

MAXIMUM DURATION

5 years



THE NETHERLANDS

EXPAT TAX REGIME OVERVIEW

FEATURES AND BENEFITS

- › Up to 30% of the gross salary is free from tax and social security contributions until the 31st of December 2026
- › From 2027 onwards, this will be adjusted to a maximum of 27%
- › An additional tax- and social security-exempt reimbursement is available for extraterritorial costs for school fees (proof required)
- › Standard tax residency rules apply. Some expats will be covered under the old scheme and be exempt from box 2 taxation from foreign source (capital gains) and box 3 taxation (savings & investments).

FORMALITIES

The application must be submitted within four months of the employment start date in the Netherlands to have retroactive effect.

PERSONNEL SCOPE



- › No nationality conditions (Dutch / foreign nationality allowed)
- › The taxpayer must be 'hired from abroad' and have lived at a distance of more than 150 kilometers from the Dutch border for more than 16 months in the 24 months prior to the employment in the Netherlands.
- › Dutch nationals returning after having lived abroad for 25 years or more are in principle also eligible for this tax regime.

MATERIAL SCOPE

- › Minimum gross salary of €46,660 per year (2024: €46,107)
 - › Maximum gross salary of €246,000 per year (2024: €233,000)
 - › If the taxpayer is under 30 years old and holds a Dutch academic master's degree (or an equivalent qualification from another country), the minimum gross salary is €35,468 per year (2024: €35,048)
- (!) Specific conditions apply to researchers and doctors in specialist training (no salary threshold)

MAXIMUM DURATION

5 years max. in total

PORTUGAL

OVERVIEW OF TAX REGIME NHR 2.0

PERSONNEL SCOPE

- › No nationality requirements
- › Eligibility starting on the 1st year of qualification as Portuguese tax resident (spending more than 183 days in Portugal in any 12-month period or having habitual domicile in Portugal)
- › Not having qualified as a Portuguese tax resident in any of the previous 5 years
- › Meeting the material employer/employee criteria for the regime

FEATURES AND BENEFITS

- › 20% flat tax rate of employment or service income received
- › Reduced withholding tax

FORMALITIES

Applications until the 15th January after the year when the individuals became tax residents in Portugal

MAXIMUM DURATION

10 years

MATERIAL SCOPE



Criteria

Income derived from specific activities and/or on account of a relationship with employers that meet certain requirements:

- a) Teaching at university degree or scientific investigation for entities integrated in the national science and technology system;
- b) Eligible professions carried out in companies that benefit from productive investment contractual tax benefits;
- c) Eligible professions carried out in:
 - › Companies that benefit from the RFAI tax benefit; or
 - › Industrial or service companies that export at least 50% of their turnover.
- d) Eligible professions in companies that have been certified as having an activity that is relevant for the national economy;
- e) Research & Development activities if the company benefits from the SIFIDE tax benefit and may consider the personnel costs in this context; and
- f) Employment with a company qualifying as a startup company.

There are other specific situations if the individual resides in the regions of Açores or Madeira that will still be regulated by regional legislation.

Eligible professions

- › Directors and managers
- › Science specialists (physics, mathematics, engineering, etc.)
- › Equipment and industrial designers
- › Medical Doctors
- › University level (or above) professors
- › Information and communication technology specialists

PORTUGAL

OVERVIEW OF FORMER RESIDENTS TAX REGIME



MATERIAL SCOPE

- › Applicable to income derived from employment relationships and service provisions until the limit of EUR 250,000

PERSONNEL SCOPE

- › No nationality requirements
- › Becoming a Portuguese tax resident until 2026
- › Not having qualified as a Portuguese tax resident in any of the previous 5 years
- › Having qualified as Portuguese tax resident in the past
- › Regular tax situation
- › Not registered as NHR

FEATURES AND BENEFITS

- › 50% of the eligible income is exempt from Personal Income Tax
- › Reduced withholding tax

FORMALITIES

Automatic benefit that is not dependent on application

MAXIMUM DURATION

5 years

SPAIN

EXPAT TAX REGIME OVERVIEW

MATERIAL SCOPE

- › Earning personal income derived from employment relationship or a business that motivated the relocation to Spain. No minimum gross salary required.

MAXIMUM DURATION

- › 6 years



PERSONNEL SCOPE

No nationality conditions (Spanish / foreign nationality allowed)

1. Five (5) FYs of previous non-residency for tax purposes in Spain.
2. Relocation to Spain for work or business reasons:
 - › new employment contract with a Spanish company or relocation to Spain
 - › Being appointed director of a Spanish company
 - › Holding the status of "digital nomad"
 - › Carrying out an economic activity in Spain that qualifies as an entrepreneurial activity
 - › Performing an economic activity having the status of "Highly Qualified Professional"
 - › Spouses
3. Not obtaining income that would qualify as obtained through a PE located in Spain

FEATURES AND BENEFITS

- › Personal income tax (PIT) on Salary / Income Business activity: 24% flat tax rate up to €600,000. Above: 47%.
- › PIT on savings income / personal Income: only subject to taxation if from Spanish source (19% - 28%).
- › Wealth Tax on assets: applies only to assets located in Spain.
- › Exit tax on unrealized capital gains: FYs in which Becham Law regime applies are not considered.

FORMALITIES

- › Application to be submitted within 6 months. Tax registration in Spain needed.

SWITZERLAND

EXPAT TAX REGIME OVERVIEW

MATERIAL SCOPE

Additional tax deductions or tax-exempt reimbursement for professional costs for expatriates

MAXIMUM DURATION

5 years



FEATURES AND BENEFITS

- › Additional tax deduction for professional costs paid by the employee or lump-sum deduction of CHF 1'500 per month; or
- › Tax-exempt reimbursement or payment by the employer.

Permissible costs:

- › Residency outside of Switzerland:
 - › Travel costs between the home country and Switzerland
 - › Reasonable* housing costs in Switzerland
- › Residency in Switzerland:
 - › Relocation costs
 - › Reasonable* housing costs in Switzerland if a permanent home for personal use in the home country is maintained
 - › Private school costs in a foreign language

* e.g., housing cost of CHF 42,000 p.a. in case of a salary of CHF 120,000 – CHF 300,000 (practice in Zurich)

PERSONNEL SCOPE

No nationality conditions

Expatriates pursuant to the Expatriate Ordinance:

- › Leading employee (i.e., management team, director or similar function).
- › Specialist with extraordinary professional qualifications
- › Secondment to Switzerland of up to 5 years

FORMALITIES

- › Deduction to be claimed as part of the annual income tax return by the employee or to be considered as part of the source tax deduction and/or salary statement by the employer.
- › Requirements to be documented.

UNITED KINGDOM

EXPAT TAX REGIME OVERVIEW FROM 6 APRIL 2025

MATERIAL SCOPE

- › No minimum

MAXIMUM DURATION

- › 4 years



PERSONNEL SCOPE

- › new foreign income and gains tax regime based on residence
- › 100% relief on foreign income and gains for the first 4 tax years of residence, provided the individual was not UK tax resident in any of the previous 10 tax years prior to their arrival.

Transitional rules:

1. for CGT purposes, current and past remittance basis users will be able to rebase foreign assets they held on 5 April 2017 to their value at that date when they dispose of them
2. any foreign income and gains that arose on or before 5 April 2025 on which the individual claimed the remittance basis, will continue to be taxed under the remittance basis when remitted to the UK.
3. a temporary repatriation facility will be available for individuals to pay a reduced rate of tax to remit income and gains which remittance basis was previously claimed. The temporary repatriation facility will be available for a period of 3 tax years:
 - i) first 2 tax years (2025/26 and 2026/27) - 12%
 - ii) final tax year (2027/28) - 15%

FEATURES AND BENEFITS

- › 100% relief on foreign income and gains for new arrivals for the first 4 years of tax residence, provided they have not been resident in any of the 10 consecutive tax years prior to their arrival.
- › Overseas workday relief will be available for the first 4 years of tax residence and there is no requirement for the employment income to be paid and retained in an offshore bank account.
- › Overseas workday relief will be limited to the lower of £300,000 or 30% of an individual's total employment income.
- › There will be no entitlement to the tax-free personal allowance and capital gains tax annual exemption in a tax year where the individual elects to be taxed under the new foreign income and gains tax regime.

FORMALITIES

- › Individual will need to claim to be taxed under the new regime for every tax year they wish to make a claim by filing a self-assessment tax return on or before 31 January (31 October if paper filing) following the end of the tax year.
- › Individual will need to claim the exact amount of foreign income and gains that is exempt under the foreign income and gains regime.

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