

WHICH AMOUNTS MAY BE DEDUCTED FROM YOUR OSSOM PENSION ?

When paying out your pension, OSSOM may be required to deduct certain amounts:

1. The INAMI^o contribution
2. The solidarity contribution
3. Advance levy (income tax)

These deductions are always explained in detail in the document accompanying the payment of your pension.

Your OSSOM contact person:

OSSOM (Office de Sécurité sociale d’Outre-mer – Belgian service for Overseas Social Security)

Johan Lhoir

Payments Department

194, Avenue Louise,

1050 Brussels (Belgium)

Tel. : ** 32 2 642.07.02

Fax: ** 32 2 642.05.59

johan.lhoir@ossom.fgov.be

Useful Contacts:

O.N.P (Office National des Pensions – Belgian National Pension Service)

Tour du Midi

1060 Brussels (Belgium)

Taxation Department

Land Registry and Contributions Department

info@onprvp.fgov.be

Tel.: ** 32 2 529.25.38

Tel.: ** 32 2 529.31.40 - 529.31.41

Ministère des Finances (Service Central des Dépenses Fixes) [Ministry of Finance (Central Fixed Expenditure Department)]

112, Rue du Commerce

1040 Brussels (Belgium)

Tel.: ** 32 2 233.70.10

SCDFpensions.tf@minfin.fed.be

“Administration des Contributions directes” – (Direct Tax Administration)

Inspection Bruxelles Etranger - Brussels Foreign Inspection,

Boulevard Albert II, 33 (North Galaxy Tour B 7)

1030 Brussels (Belgium)

Tel.: ** 32 2 548.57.06

bct.cd.bruxelles.etr@minfin.fed.be

^o INAMI: Institut National d’Assurance Maladie-Invalidité (Belgian National Institute for Illness-Disability)

1. INAMI Contribution

Who may be exempt from INAMI contributions?

You are exempt from the INAMI¹ contributions if you meet the following conditions:

- You are a European Union national residing in a Member State of the European Union (but not in Belgium)
- AND you do not benefit from healthcare reimbursements by a Belgian organization.

In this case, you should send a registered letter to the ONP (“Service cadastre et cotisations”) requesting suspension of INAMI contributions and, if applicable, reimbursement of the amounts already collected.

Please attach the following documents to this letter:

- 1) A healthcare insurance certificate. It should mention the date as of which you are covered by this health insurance. Please request this certificate from the social security fund which carries out reimbursements or interventions
- 2) Your pension account statements since the first contribution. Please request these statements from OSSOM.

If you are not exempt from contributions, can you benefit from the “Dependent Family” scheme?

You can benefit from the “Dependent Family” scheme if you meet at least one of the following conditions:

- You receive a pension in another scheme calculated at the “Household” rate.
- Your spouse does not draw any social benefits by virtue of Belgian or foreign legislation.
- Your spouse’s income does not exceed the maximum authorized under the scheme of salaried workers pensions.
- You are living alone with one or more children. At least one of them draws family allowances .

If in doubt, consult “ONP”.

INAMI Rates at 01/09/2008 (in Euros)

P = gross monthly amount of all accumulated pensions

“Single” scheme		
Gross Pension Amount (€)		Contribution (€)
From	To	
0	1,255.42	0
1,255.43	1,301.62	P – 1,255.42
1,301.63	Plus	3.55 % of P

“Dependent” scheme		
Gross Pension Amount (€)		Contribution (€)
From	To	
0	1,487.85	0
1,487.86	1,542.60	P – 1,487.85
1,542.61	Plus	3.55 % of P

These amounts are indexed.

Are you drawing several pensions?

In this case, the amounts are accumulated by “ONP”, which will determine whether or not you should pay a contribution.

¹ The INAMI contribution is deducted according to the Laws of 09/08/1963 and 08/08/1980.

What is this contribution used for?

It is used to finance the healthcare sector in Belgium. It does in no way replace the contributions you pay to your social security fund nor does it entitle you to any healthcare reimbursement.

2. Solidarity Contribution

Who is concerned ?

In Belgium, a Solidarity Contribution² on legal and extra-legal pensions is deducted, irrespective of the pensioner's nationality and place of residence. If you draw a foreign pension, the Solidarity Contribution will not be deducted from that foreign pension. However, it will be taken into account to determine the deduction rate from your Belgian pensions.

Who can benefit from the “Dependent Family” scheme?

You can benefit from the “Dependent Family” scheme if you meet at least one of the following criteria:

- You receive a pension under another scheme calculated at the “household” rate.
- Your spouse does not draw any social benefits by virtue of Belgian or foreign legislation.
- Your spouse's income does not exceed the maximum authorized under the scheme of salaried workers pensions.
- You are living alone with one or more children. At least one of them draws family allowances .

Solidarity Contribution rates at 01/09/2008 (in Euros)

P = gross monthly amount of all accumulated pensions

“Single” scheme			“Dependent” scheme		
Gross Pension Amount (€)		Contribution (€)	Gross Pension Amount (€)		Contribution (€)
From	To		From	To	
0.01	2,053.05	0 %	0.01	2,373.58	0 %
2,053.06	2,116.54	$(P - 2,053.05) : 2$	2,373.59	2,446.99	$(P - 2,373.58) : 2$
2,116.55	2,289.69	1.50 %	2,447.00	2,616.79	1.50 %
2,289.70	2,313.51	$(P - 2,220.99) : 2$	2,616.80	2,644.00	$(P - 2,538.29) : 2$
2,313.52	plus	2 %	2,644.01	plus	2%

These amounts are indexed.

Who calculates this contribution?

- If you benefit solely from an OSSOM pension: **OSSOM**
- If you draw an OSSOM pension and an ONP pension: **ONP**.
- If you draw an OSSOM pension and a pension paid by the Ministry of Finance, without drawing anything from the ONP: **the Ministry of Finance**.
- In any other case: **ONP**.

² The Solidarity Contribution is deducted according to article 68 of the Law of 30/03/1994.

If in doubt, consult the organization which has calculated the contribution.

Who deducts this contribution?

Only the organizations paying legal pensions deduct this contribution.

OSSOM always deducts the Solidarity Contribution from the OSSOM pension and, if necessary, from the extra-legal advantages from which you benefit.

3. Advance Levy (Income Tax)

What does advance levy consist of?

Pensions or “replacement revenues” (remittance) paid by OSSOM are liable to income tax.

The advance levy is an advance payment on the tax deducted from each payment.

At the beginning of each year, OSSOM will send you a tax sheet specifying the payments made during the previous year. Put it in a safe place. It will help you complete your tax return form for the tax authorities.

Do you think that the deduction of the advance levy from your pension is insufficient?

You would like to avoid paying a considerable tax surcharge at the end of the fiscal year. In this case, you can ask OSSOM to make an additional deduction at source from your pension. Send us a letter specifying the complementary amount that you would like to be deducted (by 5 Euros each). You may stop or alter these deductions by sending us a letter.

Who deducts the income tax?

OSSOM deducts the tax.

Are you drawing several pensions?

The cumulation of your revenues will be taken into account only if, in addition to the OSSOM pension, you draw an “ONP” or a Ministry of Finance pension. OSSOM will then carry out the deduction on the basis of instructions received from :

- the “ONP” if you draw a pension from that organization;
- the Ministry of Finance if you draw a pension from that organization;

While awaiting those instructions, OSSOM will deduct the income tax on the basis of the OSSOM pension amounts.

In any other case, OSSOM will deduct the advance levy only on the basis of the OSSOM pension amounts.

Is your tax residence not in Belgium?

The Direct Tax Administration defines a resident from the fiscal viewpoint as follows: “Someone who establishes their permanent home, the centre of their vital interests and the place of habitual residence in the country of residence (in some cases, nationality may also play a role).”

Some countries are linked to Belgium by a “Double Tax Convention”. To know if this applies to your country of residence, contact OSSOM.

- If your fiscal residence is established in one of these countries, it is possible that the income you receive from OSSOM is subject to tax in your country of residence. In this case, you will not have to pay tax on your OSSOM pension in Belgium, and consequently we will not deduct at source. You must of course declare your income in your country of residence.

Procedure : send OSSOM a tax residence certificate.

If your tax residence is not established in one of these countries, your income remains subject to tax in Belgium and deduction at source.

For further information, please contact OSSOM or the “Administration des Contributions directes” (Direct Tax Administration).

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(“Administration des Contributions directes” – (Direct Tax Administration), Brussels Foreign Inspection, 10, Boulevard St- Lazare , Bte 8, 1210 Brussels Tel.: ** 32 2 548.57.06).