Landenonderzoek belastingheffing aandelenopties

Ministerie van Economische Zaken en Klimaat

Maart 2021

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Inhoudsopgave

1 Inleiding

In dit rapport wordt een weergave gegeven van een vergelijkend landenonderzoek inzake de belastingheffing van aandelenopties die werknemers ontvangen van hun werkgever. Het gaat om de volgende 10 landen:

België	Israël
Denemarken	Portugal
Duitsland	Verenigde Koninkrijk
Estland	Verenigde Staten
Frankrijk	Zweden

Het onderzoek geeft inzicht in de specifieke behandeling vanuit diverse belastingperspectieven ten aanzien van aandelenopties voor werknemers. Andere vormen van aandelengerelateerde beloningen zijn geen onderdeel van onze opdracht. De focus van dit onderzoek ziet met name op de gevolgen van loonbelasting-, inkomstenbelasting-, vermogensbelasting- en sociale zekerheidsgevolgen voor de werknemer en werkgever in de betreffende landen.

Het rapport is een weergave van een feitelijk onderzoek en bevat geen oordeel of opinie van Ernst & Young Belastingadviseurs LLP.

Aanpak van het landenonderzoek

In samenwerking met het Ministerie van Economische Zaken en Klimaat is een vragenlijst opgesteld. Deze vragenlijst bevat onder andere vragen met betrekking tot de belastbaarheid voor de inkomsten-belasting, loonbelasting, vermogensbelasting en sociale zekerheid. Daarnaast is uitvraag gedaan naar de specifieke voorwaarden van een mogelijke fiscale faciliteit voor aandelenopties ("favourable regimes") die in de onderzochte landen aanwezig is.

Tot slot is een gestileerd rekenvoorbeeld opgesteld om enig inzicht te krijgen in het uiteindelijke netto voordeel voor een werknemer. Hierbij is het netto voordeel voor een werknemer bij reguliere belasting-behandeling uitgevraagd en daarnaast ook het netto voordeel voor een werknemer indien een fiscale faciliteit van toepassing is op de belastingbehandeling van aandelenopties.

De resultaten uit het rapport zijn gebaseerd op de verkregen antwoorden van de specialisten van EY in een desbetreffend land.

Voor de beantwoording van de vragen is een aantal standaard voorwaarden opgesteld die in de praktijk in een aandelenoptieplan vaak zijn opgenomen. Dit staat als opsomming genoemd boven de opgestelde vragenlijst. Indien noodzakelijk, wegens lokale wetgeving, hebben EY specialisten aanvullende voorwaarden die van toepassing zijn in hun land vermeld bij de antwoorden.

Dit rapport bevat een overzicht in het Nederlands van de relevante vragen en antwoorden uit de 10 onderzochte landen en wordt overzichtelijk de feitelijke fiscale behandeling van aandelenopties in de desbetreffende landen weergegeven. Daarna worden op de diverse uitgevraagde elementen uit de vragenlijst observaties gedeeld. Daarnaast worden de resultaten van het gestileerde rekenvoorbeeld besproken.

Tot slot zijn alle gedetailleerde antwoorden die zijn ontvangen (in het Engels) vanuit de betreffende landen als bijlagen aan dit rapport toegevoegd.

2 Landenoverzicht

Het landenoverzicht geeft een samengevat overzicht van de antwoorden op de gestelde vragen over de behandeling van aandelenopties in de onderzochte landen.

Begrippenlijst

Aandelenoptie ("stock option"): het recht van een werknemer om op een toekomstig tijdstip tegen een vooraf bepaalde prijs aandelen te verwerven in de werkgever.

Toekenning ("grant"): het moment waarop de werknemer opties op aandelen in de werkgever verkrijgt.

Onvoorwaardelijk worden ("vesting"): het moment dat aan alle voorwaarden van de optietoekenning is voldaan en zeker wordt dat de werknemer op enig moment kan uitoefenen.

Uitoefenen ("excercise"): het moment waarop de werknemer aangeeft dat hij de aandelen wil kopen tegen uitoefenprijs conform de optietoekenning.

Verkopen aandelen ("sale of shares"): de verkoop door de werknemer van de aandelen die met de optie zijn verkregen.

Reële marktwaarde ("fair market value / FMV"): afhankelijk van de context: de prijs die een onafhankelijke derde zou betalen voor de aandelen op moment van toekenning of uitoefening van de optie, dan wel op het moment van verkoop van de met de optie verkregen aandelen.

Uitoefenprijs ("excercise price"): de prijs waartegen de onderliggende aandelen op grond van de regeling gekocht kunnen worden.

Restricted Stock Units: aandelen die de werknemer in zijn werkgever krijgt of kan kopen en verkopen als aan bepaalde voorwaarden, meestal het nog in dienst zijn op enig moment, wordt voldaan.

Employee Stock Purchase Plan (ESPP): bedrijfsplan op basis waarvan deelnemende werknemers aandelen in de werkgever kunnen kopen tegen een gereduceerde prijs

Vragenlijst zoals deze is uitgezet bij EY specialisten in de 10 onderzochte landen

	Summary of Stock Option Plan
1	The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).
2	The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.
3	The vesting period is three year vesing with annual vesting of 1/3 per year.
4	Settlement in shares
5	Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.
6	The equity costs have been borne/cross-charged to the local entity in your country.

Tax treatment		**Country name:**
1	When does the taxable event arise:	
	i) date of grant	
	ii) upon vesting	
	iii) upon exercise of stock options	
	iv) upon sale	
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	
5	Are there any tax deduction items available when calculating the taxable income?	
6	What will be the tax rates applicable on this income?	
	a. Please provide an overview of income tax rates (and income level per bracket)	
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect.	
	a. If applicable, please describe the conditions which need to be met?	
	b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	
	a. What will happen in case of a capital loss?	
Social security and other taxes		
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events?	
	i) If so, when is the tax charge due and how is it calculated?	
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	
Employer's tax reporting obligations		
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	
Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	
12	Please state the name of the tax forms to report share gains/cash payout.	
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	
Example calculations		
14	We refer to the next tabs for the examples	
	a. Please provide the overall net amount for the calculation for the regular tax treatment	
	b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	

	België	Denemarken	Duitsland	Estland	Frankrijk	Israel	Portugal	Verenigd Koninrijk	Verenigde Staten	Zweden
1 Belastbaar moment	Toekenning of uitoefening	Uitoefening en verkoop	Uitoefening en verkoop	Werkgever: uitoefening en verkoop Werknemer: verkoop	Uitoefening bij een niet-gekwalificeerde aandelenoptieregeling en verkoop bij een gekwalificeerde aandelenoptieregeling.	Verkoop ingeval van niet-verhandelbare opties die zijn toegekend onder de "unapproved tax track" . Verkoop voor aandelen en opties die vallen onder de "approved tax track". Specifieke regelingen voor verhandelbare opties (toekenning) en ingeval van meerderheidsaandeelhouder, dienstverlener of adviseur (uitoefening). Dit wordt niet nader behandeld in dit overzicht.	Uitoefening en verkoop	Uitoefening en verkoop	Verkoop ingeval van incentive-aandelenopties (ISO's). Uitoefening en verkoop bij niet-gekwalificeerde aandelenopties (NSO's).	Uitoefening en verkoop
2 Belastbaar als	Loon	Loon en vermogenswinst	Loon en vermogenswinst	Werkgever: loon in natura van de werknemer Werknemer: vermogenswinst	Loon en vermogenswinst	Loon en vermogenswinst	Loon en vermogenswinst	Loon en vermogenswinst	Loon (NSO) en/of vermogenswinst (ISO &NSO).	Loon en vermogenswinst
3 Belast voordeel berekening	Toekenning: 18% van de FMV op het moment van toekenning vermeerderd met 1% per jaar bij een looptijd van meer dan 5 jaar; Uitoefening: het verschil tussen de FMV en de uitoefenprijs.	Uitoefening: het verschil tussen de FMV en de uitoefenprijs; Verkoop: het verschil tussen de verkoopprijs en de FMV op het moment van uitoefenen van de opties.	Uitoefening: het verschil tussen de FMV en de uitoefenprijs; Verkoop: de verkoopprijs verminderd met het reeds belaste loon en additionele verkoopkosten.	Werkgever: Uitoefening: het verschil tussen de FMV en de uitoefenprijs; Werknemer: de verkoopprijs van de aandelen verminderd met de kosten die zien op de verwerving en overdracht van de aandelen.	De FMV van de aandelen op het moment van uitoefening verminderd met de uitoefenprijs van de aandelen.	Het verschil tussen de FMV en de uitoefenprijs of "benefit component" (zie onder);	Uitoefening: de FMV van de aandelen op het moment van uitoefening verminderd met de uitoefenprijs en eventuele aankoopkosten van de aandelenopties. Verkoop: het verschil tussen de verkoopprijs en de FMV op het moment van uitoefenen van de opties.	De FMV van de aandelen op het moment van uitoefening verminderd met de uitoefenprijs van de aandelen.	Uitoefening: NSO FMV op het moment van uitoefening van de aandelen te verminderen met de uitoefenprijs. Verkoop: ISO's - FMV op de verkoopdatum te verminderen met de uitoefenprijs. NSO - het verschil tussen de verkoopprijs en de FMV op het moment van uitoefenen van de opties.	De FMV van de aandelen op het moment van uitoefening verminderd met de uitoefenprijs van de aandelen. Verkoop: het verschil tussen de verkoopprijs en de FMV op het moment van uitoefenen van de opties.

	België	Denemarken	Duitsland	Estland	Frankrijk	Israel	Portugal	Verenigd Koninrijk	Verenigde Staten	Zweden
4 Waardebepaling aandeel			Verschillende opvatting tussen relevante waarderingsdatum tussen Duitse Ministerie van Financiën en Fiscale rechtbank.	Geen specifieke regels. In de praktijk wordt daarom uitgegaan van de laagste koers van de aandelen op het belastbaar moment.		Geen specifieke regels.	Geen specifieke regels. Algemene regels zijn in principe van toepassing in een bepaalde rangorde.	Geen specifieke regels.		Geen specifieke regels van toepassing. In de praktijk wordt de waarde bepaald op basis van de gemiddelde koers van de aandelen op het moment van uitoefening.
a Beursgenoteerd	De FMV is de slotkoers van de aandelen voorafgaand aan de dag waarop de aandelen worden aangeboden óf de gemiddelde slotkoers gedurende de 30 dagen voorfgaand aan de aanbieding. Het staat de werknemer vrij om te kiezen voor de meest voordelige optie.	Slotkoers van de aandelen.	Laagste koers van de aandelen.		Openingskoers van de aandelen op de dag van uitoefening.	Het verschil tussen de gemiddelde waarde van de aandelen, op de 30 handelsdagen voorafgaand aan de toekenningsdatum of op de 30 handelsdagen volgend op de datum van registratie voor de handel, en de uitoefenprijs ("Benefit Component"). Indien de "holding"periode is verstreken, dan het verschil tussen de FMV op het belastbaar moment en de "Benefit Component".	Slotkoers van de aandelen op de dag van uitoefening.		Werkelijke koers van de aandelen op de transactiedatum of tegen de koers van de voorgaande dag.	
b Niet-beursgenoteerd	De werkelijke waarde dient vastgesteld worden door een accountant.	Waarderingsmethoden om de onderliggende waarde van de aandelen vast te stellen (e.g. Discounted Cash Flow model).	In beginsel de waarde die een onafhankelijke derde heeft betaald in de afgelopen 12 maanden. Indien dit niet aanwezig is moet de waarde bepaald worden o.b.v. complexe Duitse waarderings-principes.		Op basis van de multicriteria-methode waarbij er rekening moet worden gehouden met verschillende criteria.		De waarde die een onafhankelijke derde heeft bepaald.	Waardering door onafhankelijke derde partij is niet noodzakelijk maar er moet een "best estimate" bepaald worden op het moment inkomstenbelasting (of sociale zekerheidspremies) verschuldigd is.	Specifieke regels waarbij rekening gehouden moet worden met verschillende factoren het bepalen van de FMV. Er gelden ook drie "safe-harbour" methodes.	
5 Aftrek mogelijk van belast voordeel	Sociale zekerheidspremies van de werknemer kunnen in aftrek worden genomen op het bruto inkomen (alleen bij aandelenopties die belast zijn op uitoefening).	Normale transactiekosten bij verkoop.	Ja, er bestaat een "1/5 regel".	Werknemer: de kosten die zien op de verwerving en overdracht van de aandelen zijn aftrekbaar.	Het belastbare inkomen kan worden verminderd met de aftrekbare sociale zekerheidspremies op het belastbare moment. Daarnaast bestaat er in het jaar van het belastbare moment een aftrek van 10% op het netto voordeel (max. EUR 12.652 in 2020) in de aangifte inkomsten-belasting.	Ja, in principe bestaat er een aftrek met betrekking tot het voordeel dat belastbaar is als loon. Ingeval van vermogenswinst bestaat er alleen een aftrek met betrekking tot de "Benefit Component", ervan uitgaande dat de aanhoudperiode niet wordt geschonden.	Eventuele aankoopkosten van de aandelenopties.	Eventuele aankoopkosten van de aandelenopties.	Nee	Nee

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6 Belasting tarief a Maximaal tarief	Progressief tarief tot 50% (ex. gemeentelijke belasting die varieert tussen de 0% en 9%).	Uitoefening: progressief tot 56%; Verkoop: tarief van 42%	Uitoefening: Progressief tarief tot 45% mogelijk aanvullende "solidarity" en "church" heffing; Verkoop: 25% en mogelijk "solidarity" heffing.	Werkgever: "fringe benefit" heffing van 20% Werknemer: tarief van 20%	Progressief tarief tot 45% mogelijk aanvullende heffing van 3% of 4% verschuldigd.	Progressief tarief tot 50% en een aanvullende heffing van 3%.	Progressief tarief tot 48% (ex. solidariteitstoeslag van 2,5% of 5%).	Verenigd Koninrijk: progressief tarief tot 45% Schotland: progressief tarief tot 46%	NSO: progressief tarief tot 37% Verkoop: maximaal 20%	Progressief tarief tot 57%
b Vanaf welk inkomen van toepassing	EUR 41.360	Uitoefening: geen vooraf vastgestelde inkomensgrens van toepassing (afhankelijk van persoonlijke situatie). Verkoop: vanaf DKK 56.500	EUR 274.613	Geen inkomensgrenzen van toepassing	EUR 158.123	53.971 NIS per month	EUR 80.882	GBP 150.000 (zowel voor het Verenigd Koninkrijk en Schotland).	Loon: vanaf $ 523.600 ($ 628.300 voor partners die getrouwd zijn en een gezamenlijke aangifte indienen) Vermogenswinst: vanaf $ 445.850 ($ 501.600 voor partners die getrouwd zijn en een gezamenlijke aangifte indienen)	SEK 644.501 Vermogenwinst: 30% voor beursgenoteerde aandelen en 25% voor niet-beursgenoteerde aandelen.
7 Fiscale faciliteit mogelijk voor aandelenopties?	Ja, bij de heffing op toekenning kan een korting van 50% toegepast worden.	Uitstel heffing naar verkoop/lager tarief	Vrijgesteld van inkomstenbelasting en sociale zekerheidspremies tot een bedrag van EUR 360 per kalenderjaar indien aandelen worden verkregen.	De werkgever kan vrijgesteld worden van de "fringe benefit" heffing.	De gekwalificeerde aandelenoptieregelingen kan voordelig zijn voor de werkgever. Daarnaast is de uitstel van heffing naar verkoop en verliesverrekening.	Behandeling als vermogenswinst in plaats van loon	Fiscale faciliteit van toepassing op vermogenswinsten van aandelen in een niet beursgenoteerd micro- of kleinbedrijf.	Uitstel heffing naar verkoop/lager tarief (i.e. "Company Share Option Plan" (CSOP) en "Enterprise Management Incentive" (EMI))	ISO: Uitstel heffing naar verkoop/lager tarief	Fiscale faciliteit waarbij geen belastingheffing plaatsvindt op uitoefening maar alleen op verkoop (alleen voor bedrijven met minder dan 50 werknemers).
a Specifieke voorwaarden?	Ja	Ja	Nee	Ja	Ja	Ja	Ja	Ja	Ja	Ja
b Fiscale faciliteit voor andere type aandelengerelateerde	Met betrekking tot ESPP's bestaat er een mogelijkheid op een korting.	Bovenstaande is mogelijk voor de meeste types.	Nee	Bovenstaande is mogelijk voor de meeste types.	Ja, voor RSU's bestaat er een fiscale faciliteit voor zowel de werknemer als werkgever.	Ja, in sommige gevallen kan er voor andere types een fiscale faciliteit van toepassing zijn (i.e. RSU's, SAR's en ESPP's).	Ja	Ja	Nee	
8 Belastingheffing op verkoop	Nee	Ja	Ja	Ja	Ja	Ja	Ja	Ja	Ja	Ja
a Is verlies-verrekening mogelijk bij negatief verkoop resultaat?	Niet van toepassing	Ja	Ja	Ja	Ja	Ja	Ja	Ja	Ja	Ja

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9 Sociale zekerheidspremies verschuldigd over optievoordeel?	Sociale zekerheidspremies zijn slechts verschuldigd indien de aandelenopties worden belast op het moment van uitoefening. In dat geval zijn de sociale zekerheidspremies verschuldigd door zowel de werkgever als werknemer.	Nee geen aanvullende heffing door aandelenoptie. Vast bedrag voor werknemer en werkgever.	Ja, er bestaat een maximum bedrag voor de werknemer en werkgever per jaar.	Ja, er zijn sociale zekerheidspremies verschuldigd door de werkgever op het moment van uitoefening of indien de aandelen om niet/tegen een niet-marktconforme waarde worden verstrekt.	Ja, er zijn zowel sociale zekerheidspremies verschuldigd door de werknemer als de werkgever op het belastbare moment. (gekwalificeerd of niet-gekwalificeerd).	Ja, indien het voordeel wordt aangemerkt als loon dan zijn er sociale zekerheidspremies verschuldigd. Er geldt een maximum bedrag voor de werknemer en werkgever per jaar.	Nee, niet als aandelen worden verkregen.	Ja, er zijn op het moment van uitoefening zowel sociale zekerheidspremies verschuldigd door de werknemer als de werkgever.	Sociale zekerheidspremies zijn slechts verschuldigd bij de uitoefening van NSO's.	Ja, alleen voor de werkgever
10 Werkgevers informatie rapportage-verplichting	Het inkomen dient te worden afgedragen en gerapporteerd middels een maandelijkse loonbelastingaangifte en een belastingcertificaat (loonfiche) die jaarlijks wordt uitgereikt.	De werkgever dient het optie inkomen en de fiscale faciliteit te rapporteren op het moment van toekenning en uitoefening van de aandelen. Bovendien moeten de werknemerskosten jaarlijks worden vermeld.	Het inkomen dient te worden gerapporteerd in een maandelijkse loonbelastingaangifte (Lohnsteuer-Anmeldung) en een belastingcertificaat die jaarlijks wordt ingediend.	De werkgever dient de optie overeenkomst te rapporteren op het moment van toekenning en indien er geen fiscale faciliteit van toepassing is. Fringe benefit heffing dient de werkgever te rapporteren op uitoefening en daarnaast bestaat er een rapportage plicht op verkoop.	Reguliere rapportage in maandelijkse loonbelastingaangifte.	De werkgever dient het optie inkomen te rapporteren op het moment van toekenning van de aandelen door middel van een formulier. Bovendien dient er jaarlijks een formulier te worden uitgereikt aan de werknemer waarin het inkomen wordt gerraporteerd.	Naast rapportage in de salarisadministratie en jaaropgaaf bestaat er een specifieke verplichting om het optie inkomen te rapporteren.	Naast rapportage in de salarisadministratie en jaaropgaaf dient het optie inkomen te worden gerapporteerd na het belastbaar moment (of eerder ingeval van maandelijkse inhoudingen op het loon van de werknemer).	De werkgever dient het optie inkomen te rapporteren op het moment van uitoefening van de opties of verkoop van de aandelen.	Maandelijkse inhoudingen op het loon van de werknemer.
11 Werknemers informatie rapportage-verplichting	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.	Het inkomen rapporteren middels het indienen van een aangifte inkomstenbelasting. Bovendien bestaat er mogelijk een meldingsplicht als aandelen in een buitenlandse vennootschap worden verworven of verkocht.	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.	Geen aangifteplicht indien het loon wordt verwerkt in de salarisadministratie. Indien het inkomen meer dan NIS 649.560 bedraagt dan is er wel een aangifteplicht.	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.	Het inkomen dient te worden gerapporteerd in een aangifte inkomstenbelasting.
12 Vennootschaps-belasting aftrek	Aftrek is onder bepaalde voorwaarden mogelijk.	Aftrek is in principe mogelijk, tenzij de beloningen vallen onder de fiscale faciliteit.	Aftrek is onder bepaalde voorwaarden mogelijk.	Aftrek is mogelijk indien "fringe benefit" heffing verschuldigd is. Echter Estland heeft een uniek vennootschapsbelasting systeem.	Aftrek is onder bepaalde voorwaarden mogelijk.	Aftrek is onder bepaalde voorwaarden mogelijk.	Aftrek is mogelijk als de kosten voor rekening van de lokale entiteit zijn.	Aftrek is onder bepaalde voorwaarden mogelijk.	Aftrek is mogelijk.	Aftrek is mogelijk.
13 Netto resultaat rekenvoorbeeld a Normale belasting behandeling	44.807,00	35.640,00	44.144,00	36.538,00	38.241,00	37.000,00	41.030,00	46.770,00	48.769,00	40.820,00
b Fiscale faciliteit	73.877,00	42.920,00	Niet van toepassing	59.200,00	33.537,00	53.280,00	44.530,00	60.200,00	56.388,00	55.500,00

Observaties & gestileerd rekenvoorbeeld

Onderstaand volgt een korte observatie per element uit de vragenlijst. Dit is meer gedetailleerd weergegeven in het overzicht en in de bijlagen.

Belastbaar moment en belast voordeel

De verkregen data laten grotendeels een vergelijkbare belastingbehandeling zien. In de meeste landen wordt belasting geheven op het moment van uitoefening (“exercise”). Het voordeel dat op het moment van uitoefening wordt genoten, is doorgaans als loon uit dienstbetrekking belast. Het voordeel wordt doorgaans berekend door het verschil tussen de waarde van het aandeel (Fair Market Value/FMV) en de uitoefenprijs op moment van uitoefening. Daarnaast vindt er in het merendeel van de landen, na de belastingheffing op het moment van uitoefening, een heffing van vermogenswinstbelasting (“capital gains tax”) plaats op het moment dat de verkregen aandelen na de uitoefening worden verkocht.

Waardebepaling

In veel landen zijn geen specifieke wettelijke regels vastgelegd over de te hanteren waarde van de onderliggende aandelen van de aandelenopties. Bij beursgenoteerde aandelen zijn er verschillen tussen de openingskoers, slotkoers of laagste koers op het belastbare moment. Voor niet-beursgenoteerde moet in diverse landen de waarde bepaald worden door een onafhankelijke derde zoals bijvoorbeeld een accountant.

Belastingtarief en inkomensgrenzen

De antwoorden op de gestelde vragen tonen een grote diversiteit aan belastingtarieven en inkomensgrenzen in de betrokken landen. In België is bijvoorbeeld het maximale tarief van 50% bereikt bij een inkomen van EUR 41.360 waarbij in de Verenigde Staten het maximum tarief van 37% wordt bereikt bij USD 523.600.

Fiscale faciliteit voor aandelenopties

Alle onderzochte landen kennen een fiscale faciliteit ("favourable regime") voor aandelenopties. In vijf van de tien onderzochte landen (Denemarken, Israël, Verenigd Konikrijk, Verenigde Staten en Zweden) leidt de faciliteit ertoe dat het heffings-moment wordt verschoven naar het moment van verkoop van de aandelen en is tevens een lager belastingtarief ("capital gains tax") van toepassing, wat resulteert in een hoger netto voordeel van de werknemer.

Dit onderzoek heeft zich specifiek gericht op aandelenoptieplannen. Wel is de vraag gesteld of er ook voor andere aandelengerelateerde beloningen een fiscale faciliteit geldt. Er zijn landen die fiscale faciliteiten toepassen die zowel voor aandelenopties als andere aandelen gerelateerde beloningen zoals bijvoorbeeld Restricted Stock Units. Dit is bijvoorbeeld het geval Denemarken en Israël. In Frankrijk geldt alleen een fiscale faciliteit voor Restricted Stock Units.

Sociale zekerheid

In Denemarken en Portugal zijn (bij verkrijging van aandelen) geen sociale zekerheidspremies verschuldigd over het verkregen optie-voordeel. In alle andere landen zijn in principe sociale zekerheidspremies verschuldigd. In sommige landen zijn de premies gemaximeerd of alleen verschuldigd door de werkgever.

Rapportage verplichting

In alle onderzochte landen hebben zowel de werkgever als de werknemer een verplichting het inkomen dat verkregen wordt met aandelenoptie te rapporteren. Het moment en de wijze van rapporteren verschilt per land.

Vennootschapsbelastingaftrek

In alle onderzochte landen is aftrek mogelijk in de vennootschaps-belasting in relatie tot aandelenopties die aan werknemers worden verstrekt. Er gelden verschillende voorwaarden per land.

Gestileerd rekenvoorbeeld

Bij het kiezen van de uitgangspunten voor het onderstaande gestileerde rekenvoorbeeld is in overleg uitgegaan van een succesvolle startup waarbij de waarde van de aandelen sterk toeneemt:

Aantal aandelen opties:	1.000
Uitoefenprijs:	1
Waarde van het onderliggende aandeel	
Op toekenning:	1
Op "vesting"	5
Op uitoefening	50
Op verkoop	75

Uit de verkregen data blijkt dat in de meeste gevallen het voordeel op uitoefening en op verkoop relevant is voor de belastingheffing. Uit dit gestileerde rekenvoorbeeld komt het volgende naar voren:

Bruto voordeel bij uitoefening:	49.000
(1.000 x (50 – 1)	
Bruto voordeel bij verkoop:	74.000
1.000 x (75 – 1)	

Het vergelijken van netto voordelen tussen landen is complex, bijvoorbeeld door inkomensafhankelijke regelingen, belastingvrije bedragen en toedeling tussen partners. Derhalve is gekozen om een gestileerd rekenvoorbeeld op te stellen om inzicht te krijgen van het mogelijke netto voordeel van een aandelenoptie. Indien er sprake is van een fiscale faciliteit zijn er door de betrokken landen twee berekeningen gemaakt. Als uitgangspunt voor het gestileerde rekenvoorbeeld is gekozen voor het maximale tarief voor zowel inkomstenbelasting als vermogensbelasting in het desbetreffende land. Er is geen rekening gehouden met progressieve belastingschijven, eventuele (persoonlijke) aftrekposten etc. Wij verwijzen naar het overzicht voor het maximale belastingtarief en vanaf welk inkomen dit van toepassing is. Een gedetailleerd overzicht van de belastingtarieven en belastingschijven is opgenomen in de bijlagen.

Uit de resultaten blijkt dat bij deze uitgangspunten in België het hoogste netto voordeel overblijft voor de werknemer, in het geval dat er gekozen is voor belastingheffing op toekenning. Dit kan deels worden verklaard door de sterke stijging van de waarde van het aandeel na het moment van belastingheffing.

In de meeste landen resulteert de fiscale faciliteit voor aandelenopties in een hoger netto voordeel voor de werknemer. Dit is alleen niet het geval voor Frankrijk. In Frankrijk is namelijk het voordeel alleen voor de werkgever.

In Duitsland is er een zeer beperkte fiscale faciliteit. Er is op dit moment een wetswijziging ingediend die het heffingsmoment van aandelenopties kan verplaatsen naar verkoop en de fiscale faciliteit uitbreid.

4 Bijlagen

Summary of Stock Option Plan

1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).

2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.

3 The vesting period is three year vesing with annual vesting of 1/3 per year.

4 Settlement in shares

5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.

6 The equity costs have been borne/cross-charged to the local entity in your country.

	Tax treatment	**Country name: Belgium**
1	When does the taxable event arise: i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	This depends on whether or not the stock options were accepted in writing within 60 days after the offer. If the stock options were accepted in writing within 60 days, the taxable event arises at grant i.e. the 60th days after the date of grant. If the stock options were not accepted in writing within 60 days, the taxable event arises upon exercise of the stock options.
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	The income at grant / exercise will be treated as employment income.
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	a) Taxable at grant: 18% of the fair market value at offer + 1% per year of duration exceeding 5 years b) Taxable at exercise: difference between the market value per share and the option price per share
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	a) Listed companies: the FMV is the closing quote on the day preceding the offer OR the average closing quote during 30 days preceding the offer (you can choose the moste beneficial option). b) Unlisted companies: the actual value of the underlying share at offer, as determined by an auditor.
5	Are there any tax deduction items available when calculating the taxable income?	SOP taxable on exercise: Employee social security contributions can be deducted from the gross amount to be able to calculate the taxable income. SOP taxable on grant: no social security is applicable.
6	What will be the tax rates applicable on this income? a. Please provide an overview of income tax rates (and income level per bracket)	The income, as part of the employment income, will be taxed at progressive tax rates. Tax brackets income year 2021 (tax year 2022): 0,00 EUR - 13.540,00 EUR: 25% 13.540,00 EUR - 23.900,00 EUR: 40% 23.900,00 EUR - 41.360,00 EUR: 45% 41.360,00 EUR - ...: 50% On top of the progressive tax rates, communal taxes will be applied. The communcal taxes depend on the commune in which an individual resides and varies between 0% and 9%. In practice, a tax rate of 53,5% will be applied for withholding purposes in the payroll (top rate + average communcal tax rate of 7%) as stock option income is considered 'exceptional' income for withholding purposes.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect. a. If applicable, please describe the conditions which need to be met?	If the stock options are taxed at grant, a reduction of 50% of the calculated benefit in kind is foreseen if the following conditions are met: - Exercise price is determined at grant - Options cannot be exercised before the end of the third calendar year following the year of offer, OR unilateal statement of not exercising within three full calendar years following the year of offer should be drafted - No exercise after the end of the tenth year - Granted by a group to which the employer belongs - Options cannot be transferred (except in case of death) - Options cannot be covered against any risk
	b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	For ESPP (employee stock purchase plan) a discount of the taxable base of max. 20/120 of the value of the listed shares is foreseen in case the shares issued to the employees are made unavailable for at least two years (e.g. transferred to an escrow account for 2 years).
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s). a. What will happen in case of a capital loss?	No, capital gains are in principle not taxable in Belgium to the extent that it is realized within the normal management of private assets. No impact of a capital loss
	Social security and other taxes	
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events? i) If so, when is the tax charge due and how is it calculated?	If the stock options are taxable at grant, no employer nor employee social security contributions are due. If the stock options are taxable at exercise, employer (25%) and employee (13,07%) social security contributions are due.
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	If social security contributions are due (if taxable at exercise), than contributions are due by both the employer and employee.
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	See cell C44
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	No, the social security contributions are uncapped.
	Employer's tax reporting obligations	
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	The employer must report the taxable benefit and the withholding tax due on the benefit. The withholding tax has to be paid and reported via the monthly declaration of withholding tax (together with the withholding tax on regular salary) and also a fiche 281.XX has to be issued electronically including the taxable benefit and the withholding tax. Reporting of the withholding tax has to be carried out by the 15th day of the month following the month of tahe taxable event. After the income year, a fiche 281.XX has to be issued electronically by the end of February following the year in which the taxable event took place.

Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	The taxable benefit should be reported by the individual in his annual personal income tax return. The taxable benefit that should be reported in the tax return will be reported on the employee's official income statement (fiche 281.XX). Furthermore, any received dividends should be reported in the individual's tax declaration as well and will be taxed at a fixed rate of 30%.
12	Please state the name of the tax forms to report share gains/cash payout.	Any capital gain is in principle not taxable in Belgium (see cel 38). However, upon sale of the listed shares, the employee should pay stock transaction tax ("taks op beursverrichtingen") and file the related tax declaration.
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	Yes. In general, business expenses are tax deductible in Belgium in case (i) they are borne during the taxable period at hand; (ii) they are incurred in order to acquire or maintain taxable income; (iii) documentation is available in order to demonstrate the amount and genuineness of the expenses. Further, the recharged cost is recommended to be labeled as a remuneration cost. It is EY Belgium's position that the recharged cost should be deductible as a remuneration cost. However, the Belgian tax authorities may be reluctant to accept the deduction to the extent that it represents a capital loss on shares. It is strongly recommended that a recharge agreement be in place before the date of grant in order to claim a local corporate tax deduction.
Example calculations		
14	We refer to the next tabs for the examples	
	a. Please provide the overall net amount for the calculation for the regular tax treatment	44807
	b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	73877

Summary of Stock Option Plan

1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).

2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.

3 The vesting period is three year vesing with annual vesting of 1/3 per year.

4 Settlement in shares

5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.

6 The equity costs have been borne/cross-charged to the local entity in your country.

	Tax treatment	**Country name: Denmark**
1	When does the taxable event arise:	
	i) date of grant	No
	ii) upon vesting	No
	iii) upon exercise of stock options	Yes
	iv) upon sale	Yes
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	- At exercise: Ordinary employment income (Similar to salary) - At sale: Capital gains
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	- At exercise: the taxable amount is equal to the difference between the strike price and FMV at exercise. - At sale: the taxable amount is equal to the difference between the FMV at exercise and the sales price.
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	- At exercise: Closing value is used for listed shares. For unlisted shares, the Danish tax authorities refer to valuation princples that are used in the market to determine the value of the underllying shares, in particular the DCF model is referred to in a published guideline.
5	Are there any tax deduction items available when calculating the taxable income?	- At exercise: No (except for the strike price) - At sale: Ordinary transaction fee
6	What will be the tax rates applicable on this income?	
	a. Please provide an overview of income tax rates (and income level per bracket)	- At exercise: Progresional up to 56 % (56% will hit income above approximately DKK 570,000) - At sale: Capital gains taxable at 27% up of share income up to curently DKK 56,500 and 42% above that threshold.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect.	Article 7P of the Danish Tax Assessment Act is available to most types of share based remueration (SOP, RSU etc.). It postpones the taxable event to the point of sale and taxes the entire gain at up to 42 % (not 56%). Accordingly, the difference between the sales price and the strike price becomes taxable at sale as capital gains.
	a. If applicable, please describe the conditions which need to be met?	The application will in most cases require counsel as the requiements are rather strict and the timing is critical. However, the main conditions are as follows: - the application of 7 P should be agreed at the time of grant - the remunaration should be defined - e.g. SOP, RSU with right to shares in the employer company or a group related company - the nominel value should be defined - the terms for the exercise should be defined (conditions, vesting period etc.) - the value of the remuneration under 7P can usually (some exeptions - some not yet approved by the legislator) only have a value equal to 10 % of the annual salary - the shares should be in the employing company (or a group related company) - no special share type/class is allowed - the SOPs can not be transferable - the remunaration type should give a right/obligation to receive/deliver actual shares for the employee/employer
	b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	N/A
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	See above
	a. What will happen in case of a capital loss?	Deductable loss that can be applied for reductions of gains on similar shares (listed/non-listed)
	Social security and other taxes	
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events?	
	i) If so, when is the tax charge due and how is it calculated?	Fixed yearly fee of DKK 94,65 for the employee. 189,35 for the employer
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	See above
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	See above
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	See above
	Employer's tax reporting obligations	
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	1. Reporting at grant: Relevant to SOP and anything covered by 7P. 2. Reporting at exercise: monthly obligation. Reporting the benefit 3. Annual reporting of each employee's cost basis for the shares

Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	Tax return filing deadline of 1 May (regular filing deadline) 1 July (extended deadline for tax payers with eg. foreign income) the following year.
12	Please state the name of the tax forms to report share gains/cash payout.	N/A
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	A corporate tax deduction is generally available. However, not to remuneration covered by 7P. Please note that the availability of a corporate deduction in Denmark in international group companies where the employer company is Danish and the issuing company is foreign is subject to certian requirements.
Example calculations		
14	We refer to the next tabs for the examples	
	a. Please provide the overall net amount for the calculation for the regular tax treatment	35640
	b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	42920

Summary of Stock Option Plan
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3 The vesting period is three year vesing with annual vesting of 1/3 per year.
4 Settlement in shares
5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.
6 The equity costs have been borne/cross-charged to the local entity in your country.

	Tax treatment	Country name: Germany
1	When does the taxable event arise:	
	i) date of grant	no taxable event
	ii) upon vesting	no taxable event
	iii) upon exercise of stock options	yes, taxable event occurs upon exercise of stock options. We refer to our answers to number 2.
	iv) upon sale	yes, taxable event occurs upon sale. We refer to our answer to number 2 .
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	The taxable income resulting from the exercise of stock options qualifies as employment income, whereas the taxable income resulting from the sale of the stock options qualifies as capital gains, respectively capital loss.
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	The taxable employment income at the time of exercise of the stock options is calculated as the fair market value of the shares less any acquistion costs (i.e. strike price). The capital gain at the point in time of sale is the sale price less the employment income already taxed less additional sale costs.
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	For shares traded on the regulated market in Germany, the lowest share price quoted on the relevant valuation date is the value for wage/income tax purposes according to section 11 BewG (Valuation Act). For foreign shares traded in the OTC segment (over-the-counter trade), generally also the lowest share price quoted on the relevant market determines the valuation. However, often there has been no recent trade in the German OTC market and even if there have been trades, due to the small volume, they do not necessarily reflect the fair market value of the shares. Therefore, it should be acceptable to use the quotation from the primary listing of the issuing company. In this case it should generally be acceptable to use the lowest share price at the taxable event as for foreign shares there is no legal definition of the applicable share price. The description above is applicable for listed companies. However, we understand that your question also applies to unlisted companies. According to German tax law, in a first step, the fair market value should generally be the acquistion costs paid by a third party for shares in the company within the last 12 months. If a comparable transaction does not exist, a valuation has to be carried out in accordance with German principles, taking into account the earnings prospects, which is partly quite complex. If you would like to have more support in this regard, we have to involve our valuation team.
5	Are there any tax deduction items available when calculating the taxable income?	If the earning period for the stock options exceeds 12 months, there are good arguments for the applicability of the so called "1/5th rule" according to Section 34 Para. 1 and 2 of the German Personal Income Tax Code which applies to income classified as employment income earned over several years. Thus, the 1/5 rule should apply as of the 2nd vesting onwards. Please be informed that the effect of the 1/5 rule depends on other income earned by the employee in question. The higher the taxable income is, the lower is the benefit. This could also lead to no tax advantage depending on the other income. The 1/5th rule provides that if the benefit is considered to be remuneration for a period greater than one year, only 1/5th of the benefit will be considered to determine the applicable tax rate. This lower rate is then applied to the whole benefit. Therefore, Section 34 provides for a mitigation of the effect of the progressive tax rates. It should be noted that as of 1 January 2020, if the 1/5th rule is applied in the payroll, this generates a filing obligation for the employee in Germany, who may not normally be obliged to file an income tax return.
6	What will be the tax rates applicable on this income?	There is an individual progressive income tax rate amountig up to 45% (in 2021). The marginal income tax rate is 42% (48.09% including the solidarity surcharge (5.5%) and church tax (8% or 9% depending on the federal state), if applicable) for an annual income over EUR 62,127 in 2021. Kindly note that 5.5 % social surcharge on the income tax is due in full if the taxable income exceeds EUR 96,409 (for single taxpayers) or EUR 192,818 (for married taxpayers). For incomes below these thresholds, the solidarity surcharge is reduced and can be nil. For the amount of income that exceeds EUR 274,613 per year, the income tax rate is 45% (51.525% at maximum including solidarity surcharge (5.5% and church tax (8% or 9% depending on the federal state), if applicable) in 2021. Please also note that in case of a joint assessment of married couples the income limits are twice as high as aforementioned.
	a. Please provide an overview of income tax rates (and income level per bracket)	The standard income tax shall be calculated on the basis of taxable income. In 2021 it shall amount to the following based on the taxable income 1. up to EUR 9,744 (annual tax-free amount): 0; 2. from EUR 9,745 to EUR 14,753: (995.21 - y + 1,400) - y; 3. from EUR 14,754 to EUR 57,918: (208.85 - z + 2,397) - z + 950.96; 4. from EUR 57,919 to EUR 274,612 : 0.42 · x – 9,136.63; 5. as of EUR 274,613: 0.45 · x – 17,374.99. "y" is a ten-thousandth of the part of the taxable income exceeding the annual tax free amount rounded down to a full euro amount. "z" is one ten-thousandth of the part exceeding EUR 14,753 of the taxable income rounded down to a full euro amount. "x" is the taxable income rounded down to a full euro amount.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect.	A benefit in kind accruing to an employee resulting from the grant of shares in a company to its employees free of charge or at a reduced price is exempted from income tax and social security contributions up to an amount of EUR 360 per calendar year. The condition for the exemption is that the employee receive acutal shares (i.e. not virtual shares), the employee ownership is at least offered to all employees who, at the time of the offer, work for and have worked for the company for a continuous period of at least one year. Due to absence of a conclusive remuneration in German tax law an announcement was published by the German tax authorities, which specified that also trainees, part-time and minor employees fall in the category of "all employees". Currently there is a draft law in discussion which considers among other things an increase of the tax-free amount to EUR 720 per year.
	a. If applicable, please describe the conditions which need to be met?	We refer to our answer to question 7.
	b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	Kindly note that also other types of employee share plans exist, e.g. RSUs/ SARs plans. However, there should be no special tax regimes for this kind of plans resulting in additional tax benefits as compared to a stock option plan.
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	Yes, the income from the sale of the shares has to be reported as income from capital gains. The taxable income is the difference between the sale proceeds and the employee´s acquisition costs, i.e. the amount already taxed as employment income plus any amount paid (i.e. strike price), less sales costs, if any. There is generally a witholding obligation of the fixed tax rate of 25% plus solidarity surcharge and church tax, if applicable. Generally these incomes have to be report in the annual tax return. In priciple there is a withholding tax, but it depends on the individual cases.
	a. What will happen in case of a capital loss?	In case of a captial loss, the employee can offset these losses against taxable capital gains. Loss offsetting means that in an assessment period, only the balance of capital gains less capital losses would be subject to taxation. Please note that losses from sale of shares can only be offset against gains from similar investments (limited loss offsetting). Furthermore please be informed that the capital losses could be carried forward in order to offset the losses against future capital gains.
	Social security and other taxes	
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events?	
	i) If so, when is the tax charge due and how is it calculated?	In general the taxable amount resulting from the exercise of stock options is also subject to social securtiy contributions. Social security contribuitons are capped. The German employer has a payroll withholding oligation for social security and wage taxes due. Employee social security contributions should be withheld at the following rates and up to the following limits (on average 19.375% excluding varying additional health care insurance contributions for the employee (the additional contribution depends on the insurance agency and is borne by employer and employee in equal parts) + 0.25% for employees as of the age of 23 with no children - not in Saxonia): 1) On annual income up to EUR 85,200 (EUR 80,400 for Eastern states): • State Pension/old age insurance: 9.30% • Unemployment insurance: 1.20% 2) On annual income up to EUR 58,050 • Health care insurance: approximate average 7.30%. Additional contribution for the employee depending on the health insurance agency. The average additional contribution for 2021 is 1.3%, to be borne by employer and employee in equal parts • Nursing care insurance: 1.525% (2.025% in Saxonia*), additional contribution of 0.25% only for the employees as of the age of 23 with no children (resulting in up to EUR 12.09 per month) *employer rate in Saxonia: 1.025% The employer's social security rates amount to 19.375% (not for Saxonia) on average (excluding varying additional health care insurance contributions for the employer (the additional contribution depends on the insurance agency and is borne by employer and employee in equal parts)). Additionally, the employer has to pay the allocation for maternity expenses (U2) at an estimated percentage between 0.2% and 0.5% up to EUR 7,100 monthly, and the allocation for the insolvency fund at a percentage of 0.12% up to EUR 7,100.00 monthly. Note: Different rates may apply for health insurance and nursing care if the employee has private coverage.
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	The employer and employee generally pay social security contributions in equal parts. Therefore, the same rates and ceilings apply also for employer contributions except for the additional nursing care contribution of 0.25%. As mentioned above the employer is obliged to withhold and pay the social security amounts on a monthly basis.
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	We refer to the above.
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	We refer to the above.

Employer's tax reporting obligations		
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	The gain should be reported electronically in the wage-tax return (the so-called Lohnsteuer-Anmeldung) together with the other income of the employee. These are to be filed with the local corporate tax office no later than the 10th day of the month, or the next working day, following the month in which taxes have to be withheld. In addition, if the local entity does not apply the 1/5 rule already at the withholding level, then participants should be informed that they are able to claim this relief on their tax returns by reporting the value of the shares received which should be reported in row 19 of the wage tax certificate. Moreover, the local employer must submit a yearly certificate of wage tax deduction electronically for all of its employees by the end of February the following year. Income earned over several years should be reported in box 10 of the wage tax certificate. In addition, please note that the social security contributions should be due on the third last banking day of the month the taxable event occurs.
Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	If a German tax resident will sell the shares the gain has to be reported in the annual income tax return. In addition, there is generally an obligation to make a notification, if a German tax resident aquires or sells shares in a foreign corporation and either a) holds a participation of a least 10% of the corporation´s capital/assets as a result, or b) the total acquisition costs for shares held (directly or indirectly) by the individual in the corporation exceed EUR 150,000.
12	Please state the name of the tax forms to report share gains/cash payout.	The employment income resulting from the exercise of the stock options has to be consiedered in the attachment "Anlage N" in the annual income tax return. The amounts should be fully stated in the annual wage tax certificate (so called "Lohnsteuerbescheinigung") provided by the employer and can be copied in the attachment. With regard to a sale, the gains have to be consiered in the attachment "Anlage KAP" in the annual income tax return.
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	Please note that this is a debated topic in German tax law and depends on the specific circumstances of the case at hand. A local corporate tax deduction can generally be claimed where the benefit is granted to employees for their work for the benefit of the German entity and a recharge to the German entity occurs, assuming the recharge is at arm's length, meets certain other conditions and is appropriately documented. A local deduction is not allowed if a chargeback from the Company to the German entity does not occur. To be able to deduct any amount recharged, the following steps are generally required: 1. Entering into a written recharge agreement, ideally prior to grant; 2. Documentation that follows German transfer pricing requirements; 3. Recharging of compensation expenses in a form that is in line with the recharge agreement; and 4. The recharge meets the arm's length test. Please note that the tax authorities might take the view that a corporate tax deduction on an accrual basis may not be possible. However, in such a case, a corporate tax deduction should be possible upon an actual recharge at the latest. Given that this is an accounting issue, the accrual should be discussed with the auditor responsible for the German GAAP accounts.
Example calculations		
14	We refer to the next tabs for the examples a. Please provide the overall net amount for the calculation for the regular tax treatment b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	 EUR 44,144 N/A

Summary of Stock Option Plan

1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).

2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.

3 The vesting period is three year vesing with annual vesting of 1/3 per year.
4 Settlement in shares

5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.

6 The equity costs have been borne/cross-charged to the local entity in your country.

Tax treatment	**Country name: Estonia**
1 When does the taxable event arise:	1) <u>EMPLOYER</u> The taxable event arises for the employer upon exercise of stock option. Employer is the company that has employment agreement with the individual who exercises the stock opttion and taxable event arises irrespective of whenter any cost has been incurred. A taxable event also arises for the employer if the employee sells the share option. The gain derived from sale of share option is then considered a benefit in kind provided to the employee subject to fringe benefit taxes on employer level. The employee is required to notify the employer of the sale of share option.
i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	<u>EMPLOYEE</u> For the employee as an individual, the taxable event arises upon sale of shares, if gain is derived.
2 What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	2) <u>EMPLOYER</u> The nature of income at exercise or sale of share option is employment income for employee which is taxed as benefit in kind (subject to fringe benefit tax) on employer level (unless exemption applies). <u>EMPLOYEE</u> The nature of income upon sale of shares by the individual is capital gain.
3 How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	3) <u>EMPLOYER</u> FORMULA: **Taxable amount = Market value of shares exercised - Price paid by employee** The applicable market value is the market value as of the date the shares are exercised and transferred to the employee. I.e., If shares are exercised and transferred to the employee for free of charge the whole market value of the shares transferred to the employee is subject to fringe benefit tax on employer level. If shares are sold at preferential price, meaning that the employee will need to pay partial amount, the taxable value is the market value less the amount paid by the employee. Example 1 (Free shares): At exercise 10 shares are transferred to the employee for free. The market value of such shares is EUR 500. The EUR 500 is treated as a benefit in kind and it is subject to fringe benefit taxes on employer level. Example 2 (Shares at preferential price): At exercise 10 shares are transferred to the employee for a price of EUR 10 per share. The market value of such shares is EUR 500. The difference on market value and price paid by employee EUR 400 (500-10x10), is treated as a benefit in kind and it is subject to fringe benefit taxes on employer level. When employee has sold their share options, the taxable value is the difference of the share option market value and the option premium paid by employee. If share options were received for free then the taxable value is the share option market value on the date the share options were sold. <u>EMPLOYEE</u> FORMULA: **Taxable gain= Sales price - Acquisition cost - Costs related to sale of shares** The acquisition cost includes the certified price paid by the individual and also the value of shares taxed at employer level (as fringe benefit), if certified by a certificate issued by the employer. Costs related to sale of shares are transfer costs. Example 3 (Free shares): An individual sells his 10 shares received through employer SOP for EUR 700. Transaction cost is EUR 5. He received the shares for free. At exercise the value of shares EUR 500 was taxed at employer level as a benefit in kind. The employee was provided the employee with a certificate proving the value taxed as benefit in kind. The taxable amount is calculated as follows: EUR 700-EUR 500- EUR 5= EUR 195. Please note that if the employee would have paid a preferential price for the shares, this is added to the acquisition cost. Also, please note that the shares may be subject to fringe benefit tax exemption at exercise, thus there is no value taxed at employer level to be considered as acquisition cost.
4 Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	4) Estonian legislation does not specify which share price at valuation date should be considered as the basis for tax, thus we believe it is defendable to consider the lowest market value of the share at relevant valuation date.
5 Are there any tax deduction items available when calculating the taxable income?	5) <u>EMPLOYER</u> The price paid by employee is deductible when calculating the taxable value of benefit in kind <u>EMPLOYEE</u> The acquisition cost and costs related to transfer are deductible. For further details please refer to answer to Q3 EMPLOYEE section.
6 What will be the tax rates applicable on this income? a. Please provide an overview of income tax rates (and income level per bracket)	6) a) <u>EMPLOYER</u> Benefit in kind is taxed with special income tax at rate 20%. The net value of benefit in kind is divided by 0.8 before multiplying by the tax rate of 20% (i.e. grossed up by tax) E.g., if net value of shares given to the employee is EUR 500, the special income tax is EUR 125 (500*20/80). <u>EMPLOYEE</u> Estonian tax resident individual gain derived from sale of shares is subject to personal income tax at rate 20%
7 Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect.	7) Yes.
a. If applicable, please describe the conditions which need to be met?	7) a) According to Estonian legislation giving shares to employees for free or at preferential price is considered a benefit in kind subject to fringe benefit taxes on employer level. Fringe benefit tax exemption applies if shares are given to employees on following conditions: 1) the shares given are shares of employer or employer group entity 2) there optoins are not exercised earlier than three years from the grant 3) Except for agreements digitally signed or certified by a notary, agreements concluded applying for the fringe benefit tax exemption should be filed to Estonian tax authorities in five working days as of conclusion. There are few cases where the exemption is also applicable if vesting period is less than three years: the exemption is applied on pro rata basis in case of full exit or employee incapacity or death. I.e., if shares were to be vested in 3 years, but full exit takes place in two years, the proportion of shares earned before the full exit are subject to fringe benefit tax exemption.
b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	7) b) There are no other preferential/approved regimes. The fringe benefit tax exemption explained may also apply to RSU plan or other types of plans depending on the plan conditions. Generally direct cash compensation is taxable as payroll and prerequisite for tax exemption is receipt of shares by employee.
8 Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	8)The sale of share options by the employee will trigger taxable event for the employer. The employer shall report the difference of market value of the share options and option premium paid by the employee as net benefit in kind provided to the employee by 10 day following the calendar month the share options were sold by the employee. The impact on sale of shares has been explained in EMPLOYEE sections of the answers above. The gain derived from sale of shares shall be reported on annual personal income tax return which is submitted to tax authorities by 30 April following the tax year. The tax payment deadline is 1 October following the tax year.
a. What will happen in case of a capital loss?	8) a) By law the individual is only required to report the transactions resulted in a gain. However, should one suffer loss, those transactions can be reported too. The loss reported is settled against gain from other share transactions. Also, the loss not used up can be carried forward to subsequent years, provided it is reported.
Social security and other taxes	
9 Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events?	9) Fringe benefit social tax obligation arises to employer upon exercise on the gross value of benefit in kind, if shares are given free of charge or at preferential price.
i) If so, when is the tax charge due and how is it calculated?	i) The fringe benefit social tax is due by 10th day following the month the shares were transferred to the employee.
ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	ii) The fringe benefit social tax is employer obligation only.
iii) Please provide an overview of the applicable employee and employer contributions/rates.	iii) The fringe benefit social tax rate is 33%. This is employer obligation only.
iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	iv) There is no cap for the social tax.

Employer's tax reporting obligations		
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	10) At grant the agreement filing requirement explained in answer to Question 7 a may arise if the agreement is not signed digitally or certified by notary and applies for a fringe benefit tax exemption. A copy of such agreement shall be submitted to tax authorities in five working days as of conclusion. If fringe benefit tax obligation arises upon exercise, the employer shall report the value of the taxable benefit in kind on their monthly payroll and fringe benefit tax return (form TSD) which is submitted to tax authorities by 10th day following the month the benefit in kind is provided to the employee. The employer tax report shall also be submitted by same deadline in case the employee sells the share options.
Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	11) The employee has a reporting obligation if he sells the shares and realizes gain. The gain derived from sale of shares shall be reported on annual personal income tax return which is submitted to tax authorities by 30 April following the tax year. The tax payment deadline is 1 October following the tax year.
12	Please state the name of the tax forms to report share gains/cash payout.	12) Income tax return for a resident natural person
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	13) Estonia has a unique corporate income tax system. There is no annual income reporting and profit taxation, but income tax is payable only when profit is distributed, or taxable expenses are made. Cost related to discounted share benefit is subject to fringe benefit taxes. The costs related to business are allowed and will reduce the taxable profit.
Example calculations		
14	We refer to the next tabs for the examples	Please note that if shares are exercised before the third anniversary, the fringe benefit tax exemption does not apply to those shares.
	a. Please provide the overall net amount for the calculation for the regular tax treatment	36538
	b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	59200

Summary of Stock Option Plan

1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).

2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.

3 The vesting period is three year vesing with annual vesting of 1/3 per year.

4 Settlement in shares

5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.

6 The equity costs have been borne/cross-charged to the local entity in your country.

	Tax treatment	Country name: France For non qualified plans	For qualified plans (regime applicable to stock-options granted as from September 28, 2012)
1	When does the taxable event arise: i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	**Exercise gain** is taxed upon **exercise** of stock options (i.e. when the employee receives the full ownership of the shares)	**Taxation of the exercise gain is defferred until the sale** of the underlying shares
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	Exercise gain is considered as employment income and taxed as such at exercise (ie. delivery of the shares)	Exercise gain is considered as employment income but subject to a specific tax treatment at sale of underlying shares
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	The exercise gain corresponds to the difference between the fair market value of the shares at the date of exercise and the exercise price paid For non-listed companies, valuation of the shares is determined based on a multi-criteria methodology	The exercise gain corresponds to the difference between the fair market value of the shares at the date of exercise and the exercise price paid For non-listed companies, valuation of the shares is determined based on a multi-criteria methodology
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	If the company which grants the SO is listed: opening value at the day of exercise (ie. delivery of the shares) If the company which grants the SO is not listed: multicriteria method (the characteristics of the company, its net book value, its profitability and its business projects must be taken into account)	If the company which grants the SO is listed: opening value at the day of exercise (ie. delivery of the shares) If the company which grants the SO is not listed: multicriteria method (the characteristics of the company, its net book value, its profitability and its business projects must be taken into account)
5	Are there any tax deduction items available when calculating the taxable income?	Taxable income is determined taking into account the deductible social security contributions. Upon filing of the French income tax return of the year of exercise, a 10% deduction rebate (limited to 12 652€ for 2020 income) is applied on the annual net taxable compensation income.	A 10% deduction rebate (limited to 12 652€ for 2020 income) is applied on the annual net taxable compensation income upon filing of the French income tax return of the year of sale. In addition, in the event the FMV of the shares at sale is lower than the FMV of the shares at exercise, the capital loss can be offset against the exercise gain (in the limit of this gain) to be subject to income tax.
6	What will be the tax rates applicable on this income?	Exercise gain is subject to progressive income tax rates up to 45% (for 2021 income)	Exercise gain is subject to progressive income tax rates up to 45% (for 2021 income)
	a. Please provide an overview of income tax rates (and income level per bracket)	For 2021 income: Between 0 € and 10 084 € : 0% Between 10 084 € and 25 710 € : 11% Between 25 710 € and 73 516 € : 30% Between 73 516 € and 158 122 € : 41% Above 158 123 € : 45% Please note that income tax withholding applies on the taxable exercise gain through payroll. The same withholding tax rate applicable to other wages received by the beneficiary has to be used for the exercise gain. An additional tax on high income is due at the rate of 3% on the portion of the annual fiscal income (including the gain) between EUR 250,000 and EUR 500,000 and at the rate of 4% on the portion of the annual fiscal income (including the gain) exceeding this threshold for single tax payers. The limits are doubled for married tax payers filing jointly.	For 2021 income: Between 0 € and 10 084 € : 0% Between 10 084 € and 25 710 € : 11% Between 25 710 € and 73 516 € : 30% Between 73 516 € and 158 122 € : 41% Above 158 123 € : 45% An additional tax on high income is due at the rate of 3% on the portion of the annual fiscal income (including the gain) between EUR 250,000 and EUR 500,000 and at the rate of 4% on the portion of the annual fiscal income (including the gain) exceeding this threshold for single tax payers. The limits are doubled for married tax payers filing jointly.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect.	N/A	For qualified stock-options granted as from September 28, 2012, the tax treatment is not preferential for the beneficiaries (It is only preferential for the employer). However, for those qualified stock-options exercise gains, the taxable event is defered until the sale of the underlying shares. In addition, capital loss can be offset against exercise gain at sale (see cell D28).
	a. If applicable, please describe the conditions which need to be met?	N/A.	Among others, the main conditions that need to be met are the following. - The company must be a joint stock company - *société par actions* . -Eligible beneficiaries must be employed by a company with sufficient close capital links to the issuing company, i.e. one of the following conditions must be met: at least 10% of the employer's company capital must be held, directly or indirectly, by the issuing company the employer's company must directly or indirectly hold at least 10% of the issuing company's capital at least 50% of the employer's company capital must be held, directly or indirectly, by a company which holds, directly or indirectly, at least 50% of the issuing company's capital. -Options can only be granted to employees and to certain corporate officers ("mandataires sociaux") i.e. not to "Administrateurs" or members of the "Conseil de surveillance" ; -Shares must be transferred to the beneficiaries as soon the option is exercised and this transfer shall be definitive ; -Exercise price shall be determined at the time of grant of the option ; -For companies listed on a stock exchange market, the exercise price cannot be less than 80% of the average of the quoted market price for the 20 daily sessions on the stock market prior to the grant date of the option. In addition, for a stock option purchase plan, the exercise price may not be less than 80% of the average purchase price of these shares ; -Shares delivered must result from an increase of capital or a repurchase of shares by the offering company ; -Listed issuing companies can award stock-options to their corporate officers ("mandataires sociaux") only if they also implement employee shares plans (stock-options or free shares) or profit sharing plans benefiting to all their employees and to at least 90% of the employees of their French subsidiaries ; -For non-French issuing companies, the period during which the options can be granted cannot exceed 76 months after the approval of the Plan or the subplan ; -Options cannot be transferred or otherwise disposed of ; -Heirs shall have a 6 month delay to exercise options after the decease of an option holder ; -Only shares can be delivered, cash settlement is not authorized.
	b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	Yes, for RSU awards (please note that one of the condition is that the company must be a stock-joint company - *société par actions*) The last regime applicable to RSUs granted under an authorization give by the shareholders as from January 1st 2018 is very favorable for both the beneficiary and the employer. Happy to discuss further this point if required by the client.	
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	The difference between the sale proceed and the fair market value of the shares at exercise (ie. delivery of the shares) is considered as capital gains. Capital gains should be reported directly by the beneficiary in its annual income tax return (Form 2042C + form 2047 and form 2074 if the shares are delivered by a foreign entity)	The difference bettween the fair market value of the shares at exercise and the sale price is considered as capital gains. Capital gains should be reported directly by the beneficiary in its annual income tax return (Form 2042C + form 2047 and form 2074 if the shares are delivered by a foreign entity) As already indicated, the exercise gain is also taxable at sale.
	a. What will happen in case of a capital loss?	Capital loss may only be offset on capital gains arising the year of the sale and the ten following years.	Capiital loss, if any, realised at sale, may be offset against the exercise gain, in the limit of this gain (see cell D28). Capital loss may also be offset on capital gains arising the year of the sale and the ten following years.
Social security and other taxes			
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events?		
	i) If so, when is the tax charge due and how is it calculated?	At the **date of exercise** (ie. delivery of the shares) social security contributions are due on the gross exercise gain as compensation income At exercise of the shares the gross exercise gain is subject to both employee and employer social security contributions as compensation income. The employer has to withhold the social security contributions due on the gain.	Employer contribution: a specific employer contribution is due at the **date of grant** at the rate of 30% on either (i) the accounting value of the options or (ii) 25% of the market value of the underlying shares at grant) if the beneficiary is affiliated with the French social security scheme on a mandatory basis at this date. Employee contribution: social taxes are due on the exercise gain at the **date of sale** of the underlying shares at the rate of 19.7% (ie. 9.7% CSG/CRDS taxes + 10% specific social contribution). The employee is solely responsible for reporting the exercise gain and paying the corresponding social taxes due.
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	Both	Both
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	Employee social security contributions range from 10.1% to approx. 25% of the gross gain (depending on the annual overall compensation of the beneficiary). Employer social security contributions range from to approx. 25% to approx. 45% of the gross gain (depending on the annual overall compensation of the beneficiary).	Employee social taxes due on salary income : 19.7% (see cell D43) Employer specific contribution: 30% (see cell D43 for the basis of the employer contribution)
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	For 2020 and 2021 income, if the employee's annual gross compensation exceeds 329 088 EUR, only employee uncapped contributions are due at a rate of 10.1% (ie. 0.4% for sickness and basic retirement + 9.7% CSG/CRDS taxes) on the portion of the annual compensation in excess of 329 088 EUR. For 2020 and 2021 income, if the employee's annual gross compensation exceeds 329 088 EUR, only employer uncapped contributions are due (ie. approx. 30% for sickness, old age pension, family allowance, etc) on the portion of the annual compensation in excess of 329 088 EUR.	N/A.
	v) additional comments	Please also note that the local employer has to withhold the income tax due on the exercise gain realized by French tax residents. The income tax withheld at source must be remitted to the French tax authorities together with the social security contributions. The income tax withholding rate to be used is the same as the one used for other wages received by the beneficiary.	

Employer's tax reporting obligations			
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	At exercise : the French employer is subject to standard reporting requirements applicable to salary income. The exercise gain has to be reported in the employee's payslip of the month of taxable event and on the DSN form (monthly wage report).	At grant : stock options granted must be reported on the DSN form (monthly wage report) of the month of the grant. At exercise : The local employer must report the details of the stock options exercised on the DSN form (monthly wage report) of the month of exercise. Please note that the compliance with the mandatory specific reporting requirement at exercise is a condition for the exemption of standard social security contributions. In addition, an individual exercise statement detailing the stock options exercised during the year must be prepared by the employer and sent to each beneficiary concerned no later than 1 March of the year following the exercise date.
Employee's tax reporting obligations			
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	At exercise (ie. delivery of the shares): the employee is responsible for reporting the exercise gain in his/her French income tax return of the year of exercise. Since the exercise gain is in principe already included in the net taxable salary pre-completed in the annual tax return, no retreatment has in principle to be done. At sale of underlying shares: the employee is solely responsible for reporting the potential capital gain in his/her French income tax return of the year of sale and for paying the applicable taxes due upon receipt of the tax bill issued by the French tax authorities. Generally, the filing deadline is May/June of the year following the year in which the taxable event occurs.	At sale of underlying shares: the employee is solely responsible for reporting the exercise gain (and capital gain) in his/her French income tax return of the year of sale and for paying the corresponding taxes due upon receipt of the tax bill issued by the French tax authorities. Generally, the filing deadline is May/June of the year following the year in which the taxable event occurs.
12	Please state the name of the tax forms to report share gains/cash payout.	Forms 2042C + 2047 and 2074 when shares are delivered by a foreign company	Forms 2042C + 2047 and 2074 when shares are delivered by a foreign company
	Additionnal comments	If the shares are held on an foreign account, the employee must report the foreign account (including brokerage accounts) on Form 3916 to be filed in the same time as the personal annual income tax return	If the shares are held on an foreign account, the employee must report the foreign account(including brokerage accounts) on Form 3916 to be filed in the same time as the personal annual income tax return
Corporate tax deduction			
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	As a general rule, the tax deductibility of the recharged costs may be denied by the French tax authorities if the plan does not qualify from a French commercial law perspective. In such a case, the French entity could however try to qualify such recharged expenses as wage expenses and therefore support the tax deductibility of those costs based on the general conditions of deduction of the expenses incurred in the company's interest. This position however might be challenged by the FTAs and it is likely that the company should have to go before the court to put forward the arguments sustaining the position. In any case, we strongly recommend that a preliminary analysis be performed.	For French CIT purposes, a tax deduction is allowed at the level of the French entity with respect to qualified awards granted to its employees. In the case of a global plan, a tax deduction is allowed at the level of the French company, providing the costs incurred in respect of the awards are actually invoiced by the foreign granting company to the French entity with respect to its French employees. The following requirements must be met to ensure the tax deductibility of the recharged amounts in France: - The plan must be qualifying from a French tax and commercial law perspective, - The remitted shares must be treasury shares and not newly issued shares, - The costs incurred by the granting company must be actually recharged. From a French CIT perspective, the only costs that may be recharged to the French entity with respect to the granting of Awards correspond to (i) the capital loss recognized upon the repurchase of the shares and (ii) the external/administrative costs directly linked to the incentive plan. Note, the French guidelines do not define the deductible amount at the level of the French subsidiary by reference to the taxable amount to be recognized at the level of the employee.
		Example calculations	
14	We refer to the next tabs for the examples a. Please provide the overall net amount for the calculation for the regular tax treatment b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	38241 33537	

Summary of Stock Option Plan

1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).

2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.

3 The vesting period is three year vesing with annual vesting of 1/3 per year.

4 Settlement in shares

5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.

6 The equity costs have been borne/cross-charged to the local entity in your country.

	Tax treatment	**Country name: Israel**
1	When does the taxable event arise: i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	If Share and tradeable options are granted under the unapproved tax track For controlling shareholders or service provider/consultants If non tradeable options are granted under the unapproved tax track; for options and/or shares granted under the approved tax track - to note that the tax event is to be the earlier of the sale date or the transfer of the shares from the trustee
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	Unapproved tax track: Share – at grant date – employment income; at sale – capital gain Options – at sale - employment income Approved tax track – ordinary income route: Options & Shares – at sale or transfer from the trustee (the earlier) - employment income Approved tax track – capital gain route: Options & Shares - at sale or transfer from the trustee (the earlier) as follows: For private companies: (i) if 2 years from the grant date until tax event has lapsed ("Holding Period") – capital gain; (ii) if a breach of the Holding Period – employment income. For public companies including those who are to be registered within 90 days from the grant date: (i) the excess between the average value of the company's shares on the 30 trading days preceding the grant date or on the 30 trading days following the date of registration for trading (as the case may be) and the exercise price ("Benefit Component") – employment income; (ii) if Holding Period has lapsed – capital gain on the difference between the fair market value on the tax event and the Benefit Component; (iii) if a breach of the Holding Period – employment income. For controlling shareholder, service provide, consultant – at exercise – employment income or business income as the case may be.
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	The excess between the fair market value at the tax event and the exercise price
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	No specific fair market value requirement; please see above re. Benefit Component
5	Are there any tax deduction items available when calculating the taxable income?	Unapproved tax track: Share – at grant date – employment income – tax deduction can be recognized Approved tax track – ordinary income route – employment income - tax deduction can be recognized Approved tax track – capital gain route – only with respect to the Benefit Component assuming no breach of the Holding Period Tax deduction for the employee's income classified as subject to ordinary income or the amount of the participation amounts in which the local Israeli subsidiary was charged due to its obligation to the allocating company, whichever is lower, all in the tax year during which the tax withholding occurred and transferred to the tax assessing officer; Chargeback is a condition for tax deduction.
6	What will be the tax rates applicable on this income?	
	a. Please provide an overview of income tax rates (and income level per bracket)	Marginal Income level (monthly in NIS) Tax rate Up to 6,290 - 10% 6,291-9,030 - 14% 9,031-14,490 - 20% 14,491-20,140 - 31% 20,141-41,910 - 35% 41,911-53,970 - 47% Above 53,971 - 50%* (applicable to additional 3% surtax) Social security tax and health care tax (up to a ceiling of NIS 44,020): employer's part-7.6%, employee's part-12%
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect.	Yes under an approved tax treatment entitelment to capital gain - see details above
	a. If applicable, please describe the conditions which need to be met?	There are several requirements that must be met, among others: -Grants made only to payroll employees (not service providers or controlling shareholder); -Grants made under an equity incentive plan that meets the terminology of Section 102 of the ITO; -The plan needs to be adopted and approved the authorized organ; -The plan will need to be filled and submitted with the ITA for approval at least 30 days prior to the actual granting of awards under the plan; -The ITA have 90 days to approve or reject the plan; -The awards must be deposited and held with a local Israeli trustee as of the date of grant – implementation of such means that the protocol of the resolution approving the actual grant will need to be delivered and accepted by the trustee within 45 days from the date of such resolution and a signed copy of the grant letter will need to be delivered and accepted by the trustee within 90 days from the date of such resolution; -The awards and any exercised shares thereunder will need to be deposited and kept with the trustee until the lapse of the Holding Period, at least; -A sale or transfer to the awards/shares from the trustee before the end of the Holding Period ("Disqualification") will result in an immediate tax event to be taxed as ordinary income.
	b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	Section 102 of the ITA refers specifically to two type of awards; a share and a right to receive a share which means by the ITA and option; there is no reference or definition of RSU or SAR. Accordingly, with respect to RSU - if RSUs are to be considered as a grant of options to underlying shares, tax event will be at the date of sale of the underlying exercised shares. However, if this is to be considered as a grant of shares, then under the unapproved tax track, tax event will be at the date of delivery of the shares and an additional tax event upon the date of sale of the shares. We can note that it seems, based on tax rulings provided to our clients in previous matters, that currently, the ITA position is to classify the RSU as a grant of options and that has become the common practice; in cases where the grant was under the unapproved tax track we succeeded obtaining a tax ruling that will set the tax event upon the date of vesting of the RSU, however this is of course subject to the facts of each certain case. With respect to SAR – a tax ruling will need to be obtained from the ITA to determine that such type can enter Section 102 as an equity award. Note that with respect to an Employee Share Purchase Plan ("ESPP") a tax ruling is also suggested either under an approved or under the unapproved tax track.
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	As mentioned above at sale there is a tax event - please see above for the various tax classifications
	a. What will happen in case of a capital loss?	Most likely no tax liability

Social security and other taxes		
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events? i) If so, when is the tax charge due and how is it calculated?	For gain classified as ordinary income - liability to social security tax and health care tax At the tax event - gain is subject to social security tax and health care tax (up to a ceiling of NIS 44,020 of employee's monthly income): employer's part-7.6%, employee's part-12%
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	Both
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	See above
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	See above
Employer's tax reporting obligations		
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	• Tax withholding and tax reporting are done together until the 15th of the following months - withholding of the marginal tax and of the social contribution taxes; • Form 106 centralizes and summarizes the data and components of all salaries received by an employee from the employer during a tax year - the form includes, among other things, a breakdown of the payments, deposits and deductions that appeared on the pay slips. An employer must submit the form to the employee by March 31 of each year (for the previous tax year); • Reporting obligations regarding the grant equity awards: periodical reporting regarding the actual grant on Form 146 to be filed by the end of the quarter during which the grant was made and an annual reporting regarding the status of the equity awards during the said year on Form 156 to be filed by March 31 of the following year; note that under the approved tax track such reporting obligations are on the trustee whereas under the unapproved tax track such reporting obligation is on the local Israeli employer. Also note that Form 146 and 156 should have been an online reporting however currently the system doesn't support such – those companies that don't want to take any exposures file a manual report.
Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	Generaly, employees on payroll are exempt from annual tax reporting excluding an employee that his/her annual income is above NIS 649,560 - tax report to be filed by April 30 on Form 1301.
12	Please state the name of the tax forms to report share gains/cash payout.	See q.10 above
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	Please see above
Example calculations		
14	We refer to the next tabs for the examples	
	a. Please provide the overall net amount for the calculation for the regular tax treatment	37000
	b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	53280

Summary of Stock Option Plan	
1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).	
2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.	
3 The vesting period is three year vesting with annual vesting of 1/3 per year.	
4 Settlement in shares	
5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.	
6 The equity costs have been borne/cross-charged to the local entity in your country.	

	Tax treatment	Country name: Portugal
1	When does the taxable event arise: i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	Upon exercise of the stock options. Taxation may also arise upon disposal, financial settlement of the options or waiver of the options for consideration, but it shall be assumed that these events will not occur. It shall also be assumed that the employees are tax resident of Portugal at all times during the period from grant of the options to disposal of the shares.
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	Employment income.
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	Taxable income = FMV of the shares at exercise date - Cost paid by the employee to exercise the options and acquire the shares - Any amount paid by the employee to acquire the options
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	No specific rule hence general rules should apply. The following rules should be considered (in a sequential order) to determine FMV: a) official price, b) purchase official price, c) market value under arm's length conditions. Thus, there may be some flexibility to consider the closing share price of the day of exercise (for listed companies) or a marked valued appraised by a third party (for unlisted companies).
5	Are there any tax deduction items available when calculating the taxable income?	Please refer to the formula above.
6	What will be the tax rates applicable on this income? a. Please provide an overview of income tax rates (and income level per bracket)	Tax rates for resident individuals vary between 14.5% and 53%. This includes the general progressive rates up to 48% plus a solidarity surcharge of 2.5% (for annual taxable income between €80k and €250k) or 5% (for annual taxable income above €250k). See tax rates on the right hand side.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect. a. If applicable, please describe the conditions which need to be met? b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	Yes, 50% relief for capital gains hence taxation at 14% (50% x 28%). This is not related to stock options but rather applies to all capital gains on shares from unlisted micro or small companies.
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s). a. What will happen in case of a capital loss?	Yes, capital gains or losses will be computed. Capital loss can be used against capital gains of a similar nature in the year concerned. However, the offset to certain capital gains (in the year concerned) or similar gains (in a 5-year period) will require some elections. As a rule, capital gains on shares are taxed at 28%. Capital gain or loss = Sales proceeds - FMV of the shares at exercise date x Monetary coefficient -
	Social security and other taxes	
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events? i) If so, when is the tax charge due and how is it calculated? ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned? iii) Please provide an overview of the applicable employee and employer contributions/rates. iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	No social security if share settled.
	Employer's tax reporting obligations	
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	Share plans trigger a specific annual reporting until 30th June of the year following that of grant and exercise. Payroll reporting should also occur until the 10th day of the month following that of exercise. The employment benefit amount should be included in the annual wage statement to be delivered to the employee until 20th January of the year following that of exercise. A withholding tax exemption is available for benefits in kind (including stock options benefits settled in shares).
	Employee's tax reporting obligations	
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	The employee should file an annual income tax return (Modelo 3) between 1st April and 30th June of the year following that to which the income respects. Employment income, dividends and capital gains should be reported.
12	Please state the name of the tax forms to report share gains/cash payout.	Capital gains should be reported in appendix G (Portuguese shares) or in appendix J (foreign shares), of the annual income tax return (Modelo 3).
	Corporate tax deduction	
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	Yes, provided the cost is borne by the local employer. The deduction can be claimed in the year the employee is taxed on the benefit and, generally, should not exceed the amount being taxed for the employee.
	Example calculations	
14	We refer to the next tabs for the examples a. Please provide the overall net amount for the calculation for the regular tax treatment b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	 41030 44530

Summary of Stock Option Plan

1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).

2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.

3 The vesting period is three year vesing with annual vesting of 1/3 per year.

4 Settlement in shares

5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.

6 The equity costs have been borne/cross-charged to the local entity in your country.

	Tax treatment	Country name: United Kingdom
1	When does the taxable event arise: i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	Upon exercise of stock options
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	No income tax is due at grant or vest. At exercise income tax will be due on the taxable value. At sale capital gains tax will be due on any capital gain that arises.
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	The taxable amount = Full Market Value (FMV) of the shares at the date of exercise - the exercise price.
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	As the shares are not listed a valuation will be required each time shares are acquired to support the price at which the shares are being acquired. Note that there is no formal obligation to obatin a valuation from a third party, but there is a requirement to use a "best estimate" of value in situations where income tax withholding (or National Insurance) is due.
5	Are there any tax deduction items available when calculating the taxable income?	No (except costs of acquiring the option, if any)
6	What will be the tax rates applicable on this income? a. Please provide an overview of income tax rates (and income level per bracket)	The 2020/21 UK income tax rates are as follows: 20% From GBP 0 to GBP 37,500 40% From GBP 37,501 to GBP 150,000 45% Above GBP 150,000 The 2020/21 Scotland income tax rates are as follows: 19% From GBP 0 to GBP 2,085 20% From GBP 2,086 to GBP 12,658 21% From GBP 12,659 to GBP 30,930 41% From GBP 30,931 to GBP 150,000 46% Above GBP 150,000 A personal allowance of £12,500 per annum is available for individuals earning up to £100,000. The personal allowance is reduced by £1 for every £2 of income above this limit.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect. a. If applicable, please describe the conditions which need to be met? b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	Yes, there are tax advantaged stock option plans in the UK. Tax advantaged plans are not subject to income tax or National Insurance on exercise. Instead, shares are subject to capital gains tax on sale. Note that there are two types of discretionary tax advantaged plan in the UK, known as "Company Share Option Plan (CSOP)" and "Enterprise Management Incentive (EMI)". For CSOP, the period between grant and exercise should be at least 3 years, the exercise price must be at least equal to the value of the share under option at grant, and the maximum value of shares under option (measured at the date of grant) is £30,000. There are also a umber of technical requirements. EMI options are only available to smaller companies. For EMI, there is no minimum time period prior to exercise. In order to obtain full tax advantaged treatment, the exercise price must be at least equal to the value of the share at the date of grant (however EMI options can be granted at a discount, with reduced tax advatages). The maximum value of shares under an EMI option (measured at the time of grant) is £250,000. There are also a number of technical requirements. Note that shares acquired under EMI plans may also benefit from Business Asset Disposable Relief, which further reduces the effective capital gains tax rate on sale.
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s). a. What will happen in case of a capital loss?	Yes, when the shares are sold capital gains tax is due on any capital gains realised. Capital gain = Sale proceeds - market value of the shares at exercise and any costs Capital gains are taxed at marginal CGT rates, up to a maximum rate of 20%. An annual capital gains tax free allowance of £12,300 applies for the 2020/21 tax year Capital losses can be offset against capital gains to reduce the total gain subject to tax. Capital losses can be claimed for up to 4 year after the end of the tax year in which the shares were sold
	Social security and other taxes	
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events? i) If so, when is the tax charge due and how is it calculated?	Yes, social security (known as National Insurance Contributions "NIC") apply in the UK NIC will be due at exercise
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	Both the employer and employee have a NIC obligation
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	The 2020/21 UK (including Scotland) NIC rates are as follows: Employee's 12% From GBP 9,500 to GBP 50,000 2% Above GBP 50,000 Employer's 13.8% Above GBP 8,788
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	See above
	Employer's tax reporting obligations	
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	
	Employee's tax reporting obligations	
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	Employer Full Payment Submission - Applicable at exercise Due date: Within 14 days of the end of the tax month of exercise. Description: Reporting of employment income and amounts of income tax and NIC due under Real Time Information (RTI). Although RTI reporting is generally required on or before payment, there is currently an easement in the case of share based payments, so that reporting can be made within 14 days of the end of the tax month in which the tax point arises or if earlier when PAYE is operated. P60 Due date: 31 May following the end of the tax year. Description: Reports details of gross pay and income tax and NIC withheld to participants. Annual online return for non-tax advantaged share plans (ERS online service) - Applicable at grant and exercise Due date: 6 July following the end of the tax year. Description: Details reportable events in relation to shares and securities. The return needs to be made via HMRC online services. Employee Self-assessment tax return - SA100 (and appropriate additional sections) Due date: 31 October (paper filing) or 31 January (online filing) following the end of the tax year. The participant should account for any tax due in connection with the shares by 31 January following the end of the tax year. Description: Declaration to HMRC of income and capital gains recognised during the tax year.
12	Please state the name of the tax forms to report share gains/cash payout.	See above

Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	A corporate tax deduction would be available if the following conditions are met: • The shares must be ordinary share capital, fully paid up and non-redeemable; • The shares must be listed on a recognised stock exchange or be in a company that is not under the control of another company (unless that other company is listed on a recognised stock exchange); • The grant must be for the purpose of the business of the employing company, which must be within the charge to UK corporation tax; • Shares acquired must be shares in the employing company or a company which at the time of grant/award is a parent company of the employing company; and • The employee is subject to UK income tax on the shares award (or would be if they were resident in the UK and carried out their duties in the UK). • Where the statutory corporation tax deduction is not available (for example, because one of the statutory conditions is not met), the local employing entity
Example calculations		
14	We refer to the next tabs for the examples	Note - calculations assume highest marginal rates of tax, and do not take into account the annual allowance for capital gains tax.
	a. Please provide the overall net amount for the calculation for the regular tax treatment	46770
	b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	60200

Summary of Stock Option Plan

1 The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).

2 The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.

3 The vesting period is three year vesing with annual vesting of 1/3 per year.
4 Settlement in shares
5 Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.

6 The equity costs have been borne/cross-charged to the local entity in your country.
7 No cross-border implications were considered.
8 Note we have discussed the taxation of both standard "nonqualified stock options" as well as qualified "Incentive Stock Options". Incentive Stock Options are subject to additional qualification requirements and grant limitations.

Tax treatment		**Country name: UNITED STATES**
1	When does the taxable event arise: i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	For Incentive Stock Options (ISO - qualified awards): at sale of stock following exercise For Nonqualified stock options (NSO): upon exercise of stock option
2	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	For ISO: 1) For ISO under qualifying disposition: capital gain (or loss) income 2) For ISO under disqualifying disposition: a) Employment income on the lesser of: (i) the gain at the time the option was exercised, calculated as the difference between the fair market value on the date of exercise and the amount paid to exercise the ISO; and (ii) the actual gain on the sale, calculated as the difference between the gross sales price and the amount paid to exercise the ISO. b) Capital gain (or loss) from sale of shares (if (ii) is not used above). For NSO: employment income
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	For ISO: 1) qualifying disposition: FMV at sale - exercise price = taxable income 2) disqualifying disposition: a) employment income - lesser of: (i) FMV at exercise date - exercise price = taxable income; or (ii) FMV at sale - exercise price = taxable income b) capital gain: FMV at sale - FMV at exercise = taxable income For NSO: FMV at exercise date - exercise price = taxable income
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	For listed companies: FMV may be based on actual trading price of the transaction day of or prior day's trading prices (e.g., open, close, average, weighted trading average) For unlisted companies: The regulations set forth factors that must be taken into account in determining FMV, including the value of assets (both tangible and intangible), the present value of anticipated future cashflows, the market value of stock or equity interests in similar corporations, or equity interests in similar corporations or other entities engaged in substantially similar trades or businesses. In addition, the valuation may reflect control premiums or discounts for lack of marketability. The valuation may be used for up to 12 months, but it must be updated to reflect information that materially affects the corporation's value, such as the resolution of litigation or the issuance of a patent. The regulations also provide safe-harbor valuation methods. When one of these safe harbors is used in lieu of the general valuation approach describe above, the valuation is presumed to be reasonable. The IRS may rebut the presumption only if the valuation is "grossly unreasonable." There are three safe-harbor methods: 1) Appraisal by an independent party; 2) Appraisal by a qualified individual who does not have to be independent (available only for start-up companies); and 3) Formula value.
5	Are there any tax deduction items available when calculating the taxable income?	No
6	What will be the tax rates applicable on this income?	
	a. Please provide an overview of income tax rates (and income level per bracket)	For 2021: 1. Ordinary income (including employment income) 37% for income over \$523,600 (\$628,300 for married couples filing jointly); 35% for incomes over \$209,425 (\$418,850 for married couples filing jointly); 32% for incomes over \$164,925 (\$329,850 for married couples filing jointly); 24% for incomes over \$86,375 (\$172,750 for married couples filing jointly); 22% for incomes over \$40,525 (\$81,050 for married couples filing jointly); 12% for incomes over \$9,950 (\$19,900 for married couples filing jointly). The lowest rate is 10% for incomes of single individuals with incomes of \$9,950 or less (\$19,900 for married couples filing jointly). 2. Capital gain 20% for income over \$445,850 (\$501,600 for married couples filing jointly); 15% for income over \$40,400 (\$80,800 for married couples filing jointly); 0% for income over \$0 (\$0 for married couples filing jointly). Net short-term capital gains are subject to taxation as ordinary income at graduated tax rates.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect.	
	a. If applicable, please describe the conditions which need to be met?	To qualify as an ISO: 1) The terms of the option must not provide that the option will not be treated as an ISO. 2) The option must be granted to an individual in connection with that person's employment by the corporation granting the option. 3) The option must be for the purchase of stock of the employer or a related corporation. 4) The option must be granted under a formal plan (which may be in written or electronic form) that is approved by shareholders of the granting corporation within 12 months before or after the date the plan is adopted by the corporation. 5) The plan under which the ISO is granted must include: a) the maximum aggregate number of shares which may be issued through the exercise of ISOs; and b) the employees or class of employees who are eligible to receive options or other stock-based awards under the plan (and if non-employees are eligible to receive awards under the plan, the plan must separately designate the employees or class of employees eligible to receive ISOs). 6) The option must be granted within ten years from the earlier of: a) the date the plan was adopted; or b) the date the plan was approved by shareholders. 7) The terms of the option must state that the option is not exercisable beyond ten years after the date the option was granted (or five years after the option was granted to an employee who owns shares accounting for 10% or more of the total combined voting power of all classes of stock of the corporation, its parent or its subsidiary (10% shareholder)). 8) The exercise price of the option must not be less than: a) the fair market value of the underlying shares on the grant date for employees who are not 10% shareholders; or b) 110% of the fair market value of the underlying shares on the grant date for employees who are 10% shareholders. 9) The terms of the option must: a) prohibit the transfer of the option by the employee, other than by will or the laws of descent and distribution; and b) provide that the option is exercisable only by the employee during the employee's lifetime. 10) For each employee, the aggregate fair market value (determined as of the grant date) of ISOs that become exercisable for the first time in any calendar year cannot exceed \$100,000. 11) The option holder must be an employee of the corporation granting the option or a related corporation at all times during the period beginning on the grant date and ending on the date that is three months before the date of exercise. This means that, except in the case of the employee's termination due to death or permanent and total disability, if the option holder's employment terminates, the option holder must exercise the option no later than three months after the employee's termination date. 12) If the employee's employment terminates due to permanent and total disability, the option must be exercised no later than one year after the employee's termination date. 13) If the employee's employment terminates due to death, the option holder's heirs can exercise the option until the option's expiration date.
	b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc.? If so, for which types?	No
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	Sale: 1) For ISO under qualifying disposition: capital gain (or loss) income only (FMV at sale - exercise price = taxable income); 2) For ISO under disqualifying disposition: capital gain (or loss) from sale of shares (FMV at sale - FMV at exercise = taxable income); 3) For NSO: capital gain (or loss) from sale of shares (FMV at sale - FMV at exercise = taxable income).
	a. What will happen in case of a capital loss?	Capital gain loss can be offset from capital gain income. The term "net capital gain" means the amount by which net long-term capital gain for the year is more than net short-term capital loss for the year. The term "net long-term capital gain" means long-term capital gains reduced by long-term capital losses including any unused long-term capital loss carried over from previous years. If capital losses exceed capital gains, the amount of the excess loss that can be claimed to lower ordinary income is the lesser of \$3,000 (\$1,500 if married filing separately) or total net loss.

Social security and other taxes		
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events?	Social taxes: NSO exercises are subject to social taxes. ISOs are exempt from social taxes (either upon a qualifying or disqualifying disposition. Capitial gains taxation may be subject to a Net Investment Income Tax of 3.8% for single taxpayer with modified adjusted gross income over $200,000 ($250,000 for married taxpayers filing jointly. State and local income taxes may apply depend on residency of the individual.
	i) If so, when is the tax charge due and how is it calculated?	For ISO: 1) Qualifying disposition - none; 2) Disqualifying disposition: at sale, but no withholding will be done by employer, employee is required to report income and pay taxes on the annual tax return (income is calculated in the same way as income for tax purposes). For NSO: at exercise ((income is calculated in the same way as income for tax purposes).
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	Yes, both.
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	Social taxes are calculated as follows Employee: Social Security: 6.20% up to income of $142,800 (for 2021) Medicare: 1.45% uncapped Additional Medicare: 0.90% on income over $200,000 (2.35% total) Employer: Social Security: 6.20% up to income of $142,800 (for 2021) Medicare:1.45% uncapped
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	See above.
Employer's tax reporting obligations		
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	For ISO: 1) Qualifying disposition at the time of exercise: Employer has reporting obligation. Form 3921: - copy to be provided to employee aby January 31 of the year following the year of exercise; - copy to be provided to IRS by February 28 of the year following the year of exercise (if filed electronically, the due date is March 31). 2) Disqualifying disposition: a) at the time of exercise: Employer has reporting obligation at the time of the exercise. Form 3921: - copy to be provided to employee aby January 31 of the year following the year of exercise; - copy to be provided to IRS by February 28 of the year following the year of exercise (if filed electronically, the due date is March 31). b) at the time of sale: Employer has reporting obligation for employment income. Form W-2: - copy to be provided to employee aby January 31 of the year following the year of sale; - copy to be provided to IRS by January 31 of the year following the year of sale. For NSO: at the time of exercise: Employer has reporting obligation for employment income. Form W-2: - copy to be provided to employee aby January 31 of the year following the year of exercise; - copy to be provided to IRS by January 31 of the year following the year of exercise.
Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	Employee needs to report both his employment income and his capital gain income on Form 1040 due by April 15 of the year following the year of income (exercise or dale). An automatic extension until October 15 to file Form 1040 can be obtained by filing Form 4868.
12	Please state the name of the tax forms to report share gains/cash payout.	Form 1040
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	An employer can claim a tax deduction for the ordinary income portions described above (i.e., exercise of a NSO or ISO disqualifying disposition)
Example calculations		
14	We refer to the next tabs for the examples	
	a. Please provide the overall net amount for the calculation for the regular tax treatment	$48,769
	b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	Qualifing disposition $56388/ Disqualifing disposition $49920

	Summary of Stock Option Plan
1	The participation in the SOP is voluntary. On the Award Date, the Participant is granted an option to purchase certain number of ordinary shares of the Company (the Option Shares).
2	The Option may be exercised after any portion of the Option Shares that have become vested except that this Option may not be exercised for a fraction of a share. A vested Option, if not exercised prior to the exercise period provided, shall terminated and no longer be exercisable.
3	The vesting period is three year vesing with annual vesting of 1/3 per year.
4	Settlement in shares
5	Taxes: A requirement of the plan is that the Company or relevant group companies should have the right to deduct or withhold, or ask the participants to remit to the Company, the amount adequate to pay all the tax amounts as regulated by the tax laws in each local jurisdiction. The Administrator could determine in its sole discretion, in order to meet the above requirement, to allow the participants choosing let the Company to withhold the shares under the award for settlement of taxes.
6	The equity costs have been borne/cross-charged to the local entity in your country.

Tax treatment		Country name: Sweden
1	When does the taxable event arise: i) date of grant ii) upon vesting iii) upon exercise of stock options iv) upon sale	1) From a Swedish perspective, the limitations (or the absence of limitations) in the ownership of the option will have an effect on practically all of the below questions. The Swedish input below is based on the assumption that the employee is not permitted to sell the options after grant and that continued employment until exercise is required, else all options are forfeited - which is often common in similar stock option plans based on our experience. See answer in question 7 as an example of what could apply otherwise. iii) Upon exercise of the stock options
I	What is the nature of income at grant / vest / exercise / settlement (e.g. employment income, capital gains, personal income)?	Grant: N/A Vest: N/A Exercise/Settlement: Employment income, should be the same date
3	How is the taxable amount calculated (i.e. formula)? Please provide a workable methodology and definitions of the calculation of taxable amount and the valuation terminology if any. Please use detailed examples to explain the above-mentioned formula and calculation methodology.	The taxable benefit is the difference between what the employee receives from exercising and what the employee pays upon exercising the stock option. Calculated with the following formula: (Fair market value of the shares) less (the strike price for exercising) = taxable benefit value The fair market value is generally the average share price of the share on the date of exercise.
4	Please indicate if there are any specific fair market value (FMV) requirements for the purpose of calculating the taxable income (e.g. closing share price of the day, average share price of the day, average calculated over a period, please specify the specific date or the specific period), especially taking into account that the company is an unlisted company.	Not stipulated in Swedish tax law, but the generally applied practice is that it is the average share price of the day.
5	Are there any tax deduction items available when calculating the taxable income?	No
6	What will be the tax rates applicable on this income? a. Please provide an overview of income tax rates (and income level per bracket)	Progressive tax rates for employment income depending on where the individual lives and how much they earn. Withholding of preliminary taxes: Ranging from 0-57%. When the yearly income exceeds SEK 644 501, the rate is 57%. Final taxation for the individual: Municipal rates between 29 and 36% for income between SEK 0 and SEK 537 200. On income exceeding 537 200, an additional 20% of state taxes are levied. If the individual should also pay church fees, the highest marginal tax rate is 57%.
7	Are there any preferential/approved tax treatment for stock options income, including deduction, exemption or deferment, different tax treatment e.g. capital gains taxation instead of employment income? Please provide more details in this respect. a. If applicable, please describe the conditions which need to be met? b. Are there any other preferential/approved regimes for other type of share based incentives, e.g. RSUs, SARs etc? If so, for which types?	There is a difference between employee stock options (Sw: Personaloptioner) and stock options that are considered securities for Swedish tax purposes. If the options acquired at grant are deemed to be securities (often warrants or call options), the taxable event is not as described above but at the date of grant. If the price paid for the option is equal to the FMV (FMV determined using the Black & Scholes method), no taxable benefit arises, the employee has The assessment of if an option is an acquired security for Swedish tax purposes has to be made on a case by case basis, but is generally based on if the individual is in any way restricted in what they are allowed to do with the option. If there is no requirement of continued employment and the employee can choose to sell the option whenever they want after grant, it will normally be considered a security. For certain companies employee stock options may be considered tax free. It is not possible for us to fully cover all requirements in this matrix as the legislation is complex and very detailed, but examples contain: The company (and/or company group) is of a limited size (less than 50 employees and partners during the year the QESO is acquired by the employee) and the net sales are less than SEK 80 000 000, must be an unlisted company, must not be directly or indirectly owned to 25% of the state, cannot aim to generate income through passive business activities and cannot perform certain types of business activities (bank or financing, insurance, coal or steel production and others), must not have been active for more than 10 years. There are also conditions both on the stock option in it self as well as for the participant in the plan. Note: The legislation has since its introduction during 2018 not led to the intended results. During late 2020 a proposal for changes regarding the QESO rules was issued. The proposed changes cover both requirements on the company (number of employees+net sales), the requirements on the participants as well as the requirements on the structure of the employee stock options. The implementation date
8	Is there a tax impact on sale? If yes: How is the taxable income calculated and reported? We also refer to the example(s).	Yes, capital gains tax of 30% on listed shares. For unlisted shares, the capital gains tax is reduced to 25%. The capital gain on shares sold after being acquired through exercising an option is calculated by: (Selling price of the shares) less (exercise price of the options + value taxed as a benefit). In a situation where the FMV of a share is 100 on exercise and the strike price is 10, and the shares are later sold for 200, the calculation would be as follows: 1) Exercise: 100 - 10 = Taxable benefit value of 90. Total price paid for the share is 90+10. 2) Selling the share: 200 - 100 = Capital gain of 100. 3a) Taxes on the capital gain if share is listed: 100*0,3 = 30 4a) Taxes on the capital gain if share is not listed: 100*0,25 = 25 Note that the above calculation is under the assumption that no other shares in the same company were owned prior to exercising the stock options or purchased after exercise but before selling the shares. If other shares are held upon selling, an average acquisition cost needs to be calculated and this

	a. What will happen in case of a capital loss?	As a first step, the capital loss is set off against capital gains on other securities. For listed shares, 100% of the loss may be set off against gains on other securities. For non-listed shares, 5/6ths of the loss may be set of against gains on other securities. If a set off against other securities is not possible or only partially possible, 70% of the loss (or remaining loss) is used to lower the overall capital gain/loss. Note that for non-listed securities, the 70% is calculated after adjusting it to 5/6ths (loss/6*5*0,7). If there is an overall loss in the income type of capital after all capital gains and losses have been summarized, a tax reduction towards employment income is allowed: For total capital losses between SEK 0 and SEK 100 000, 30% tax reduction For capital losses exceeding 100 000 E.g. a capital loss of SEK 200 000 would generate a tax reduction of (SEK 100 000*0,3)+(SEK 100 000*0,21) = SEK 51 000.
Social security and other taxes		
9	Is there any social tax (social security) or other tax (state/regional/local, wealth or municipal taxes) payable with respect to those events? i) If so, when is the tax charge due and how is it calculated?	Assuming that "those events" are the items in question 1/2: Yes, municipal tax, state tax (if applicable) and employer social security charges Employer must withhold taxes in accordance with one-time tax tables, ranging from 0% to 57%. Employer must pay social security contributions of 31,42% Both of the above are due for payment on the 12th following the month of the taxable event.
	ii) Do both the employer and the employee have a (social) tax obligation, or only one party concerned?	In practice, only employer social security charges due. The employee has a technical social security charge which is automatically added in the tax return, but it is currently fully deductible resulting in a 0 sum game and no employee social security charges.
	iii) Please provide an overview of the applicable employee and employer contributions/rates.	Employer social security charges: 31,42% Employee social security charges: N/A
	iv) Is there a cap or wage ceiling on the social security contributions? Who is subject to an annual cap, employer, employee or both? Please provide the caps.	No cap.
Employer's tax reporting obligations		
10	Please explain the statutory filing requirements including the due date. (E.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	Monthly PAYE reporting on an individual level. Due date is the 12th of the following month.
Employee's tax reporting obligations		
11	Please explain the statutory filing requirements including the due date. (e.g. Due date of tax reporting, Monthly filing requirement, Annual filing requirement) at any of the 4 events highlighted in question 1 above.	Employee must file annual tax return in the beginning of May the year after the income year. The taxable benefit will already be reported by the employer and pre-printed in the tax return.
12	Please state the name of the tax forms to report share gains/cash payout.	If the employee has exercised an option and then sold the shares, the selling of shares triggers an additional filing requirement (form K4) to be included in the tax return.
Corporate tax deduction		
13	Is a corporate income tax deduction available in relation with the employee stock option plan? If yes, please provide explanation.	Yes, the deduction should be based on the cost/recharge amount, employer social taxes and reasonable expenses.
Example calculations		
14	We refer to the next tabs for the examples a. Please provide the overall net amount for the calculation for the regular tax treatment b. Please provide the overall net amount for the calculation for the favorable tax treatment (if applicable).	 40820 55500

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