

PRESS RELEASE

AmCham Belgium advocates 20% corporate tax rate

Brussels, June 27, 2016 – As Finance Minister Johan Van Overtveldt prepares a fundamental reform of Belgium’s corporate tax system, expected to be announced after the Summer, the American Chamber of Commerce in Belgium (AmCham Belgium) recommends gradually reducing the corporate income tax rate (CIT) from 33.99% today to 20% or even less by 2020, in order to improve the country’s attractiveness as a destination for foreign investment.

In a new position paper [Tax Horizon 2020](#), AmCham Belgium argues that reducing the headline rate is essential to maintain competitiveness within the new international tax framework set by the OECD’s BEPS project and the European Union’s Anti-Tax Avoidance Package. “A lower CIT will put Belgium in a competitive position to attract investment in its peer group,” said **Koen Maerevoet**, Chair of AmCham Belgium’s Tax Horizon 2020 Taskforce.

Foreign investment has direct benefits for the local economy – notably, the stimulation of employment and innovation – as well as multiplier effects from the interaction between multinational and local companies. “Belgium should, in particular, aim to attract holding companies and decision-making and other high-value added centers of excellence, the location of which have a significant influence on other investment decisions,” said **Howard Liebman**, President of AmCham Belgium.

While compensating measures might be necessary in the short term to ensure the CIT reduction is budget neutral, AmCham Belgium strongly recommends maintaining certain tax incentives, including the patent income deduction and the notional interest deduction (NID), both of which should pass muster even under the newly-evolving international tax framework. Maintaining these deductions is important not only because they encourage desirable investments and business activities, but also because it would contribute to the country’s image as a reliable and stable investment location. In addition, abolishing symbolic measures, such as the Fairness Tax or the minimum tax on capital gains, would send a favorable signal to investors.

Download our new position paper [Tax Horizon 2020](#)

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About AmCham Belgium

The American Chamber of Commerce in Belgium (AmCham Belgium) is a dynamic non-profit organization dedicated to improving business and investment opportunities for the US-Belgian business community. With approximately 900 US groups in Belgium, AmCham Belgium plays a pivotal role in an evolving business environment by focusing on three key areas: advocacy, knowledge-sharing and networking.

To learn more about AmCham Belgium, visit www.amcham.be

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