



Belgian Tax on Stock Exchange Transactions

Automate Reporting Processes for Your End Clients

Rely on tax & regulatory data services from SIX to help you classify financial instruments and allocate tax rates for securities subject to the Belgian tax on stock exchange transactions (TOB or 'beurstaks'). By combining official tax data sources into a single high-quality data feed, SIX helps firms to automate tax operations for end clients and achieve a higher straight-through processing rate.

Extension of TOB Rules

Belgian taxpayers must pay a tax on stock exchange transactions, based on the security subject to the transaction. Previously, the tax was only levied if a Belgian professional intermediary was involved. Since 1 January 2017, transactions carried out by Belgian taxpayers through foreign professional intermediaries are also subject to the TOB transaction tax. The tax is levied regardless of whether the foreign professional intermediary is liable to pay tax in Belgium.

Implications for Firms

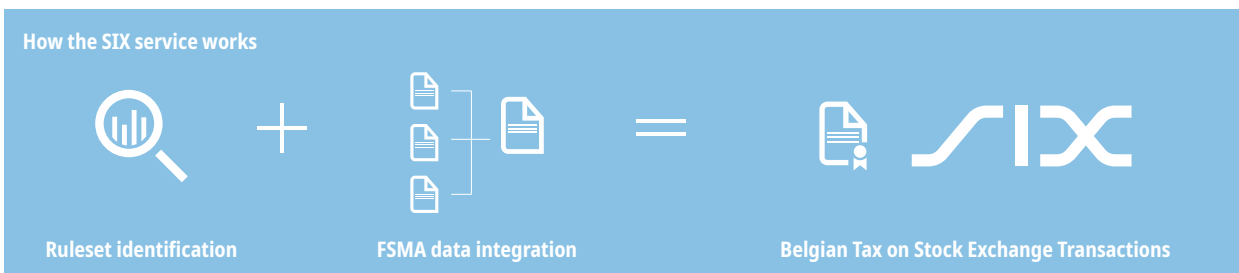
The new rules reflect challenges for foreign banks but also represent opportunities to offer new services while achieving higher automation rates. The TOB data service from SIX helps you classify financial instruments that are subject to the transaction and allocate the relevant tax rate (0.09%, 0.27%, 1.32%). The service supports firms with tax operations services for their end clients, for example calculating the TOB amount for all securities transactions done in a month on the portfolio of a Belgian private investor.

Rely on a Single High-Quality Data Source

While reporting functionalities or other offerings by foreign professional intermediaries are provided on a voluntary basis, financial institutions may need to offer tax services for a variety of commercial reasons. By integrating and aligning official tax data sources, SIX allows you to source high-quality tax data from a single provider. This enables your firm to automate tax operations services for end clients and achieve a higher straight-through processing rates throughout all critical business processes.

Key Benefits

- ✓ Optimize client service to private investors that are Belgian tax residents
- ✓ Fully automated service to avoid complex data analysis and source integration
- ✓ Classify financial instruments with ease by implementing a ruleset that has been developed by experts and backed-up by official tax sources
- ✓ Support in tax operations services for end clients



Service Details

The tax & regulatory data service is provided through the core reference data product from SIX, the Valor-data Feed (VDF). The service defines and delivers the individual asset classes according to the proprietary ruleset definitions from SIX. The ruleset is back-checked

against common market practices and monitored continuously by SIX experts in the field of tax & regulations. The individual asset classes delivered will define the according tax applicability as well the according tax rate for the transaction. The individual asset classes can be found below:

	Instrument Type	Tax Rate
1	Instruments that are specifically exempt such as OLOs (Obligation linéaire)	0%
2	All types of bonds issued by Belgian or foreign public authorities (State, Regions or municipalities)*	0.09 %
3	Obligations and certificates of bonds issued by Belgian or foreign companies	0.09 %
4	Certificates issued by mutual funds ("FCP" / "GBF") listed and registered in Belgium	0.09 %
5	Certificates issued by mutual funds ("FCP" / "GBF") listed and not registered in Belgium	0.27 %
6	Certificates issued by mutual funds ("FCP" / "GBF") non-listed	0%
7	Certificates of shares or bonds issued by a Belgian resident in respect of shares or bonds issued by a third party	0.09 %
8	"Distribution shares" issued by an investment company (SICAV, SIR, SIC) which are listed and registered in Belgium	0.09 %
9	"Distribution shares" issued by an investment company (SICAV, SIR, SIC) which are listed and not registered in Belgium	0.27 %
10	"Distribution shares" issued by an investment company (SICAV, SIR, SIC) which are non-listed	0%
11	All other types of securities; Ex: shares of Belgian or foreign industrial or commercial companies (except those which cannot by nature be quoted), structured products not in the form of an investment fund, warrants, etc.	0.27 %
12	"Capitalization shares" issued by an investment company (SICAV, SIR, SIC) listed and registered in Belgium	1.32 %
13	"Capitalization shares" issued by an investment company (SICAV, SIR, SIC) listed and not registered in Belgium	0.27 %
14	"Capitalization shares" issued by an investment company (SICAV, SIR, SIC) non-listed	1.32 %

The service contains the file integration of the official Belgian regulator FSMA (Financial Services and Markets Authority) with the information whether a fund (domestic or foreign) is registered for sale in Belgium or not.

Interested clients should contact their SIX account manager to order the TOB information service and enquire about how to obtain the data for the first time.

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