

A practical guide to the Danish tax system

Welcome to Denmark. To help you get off to a good start while working in Denmark, we have made this practical guide. Read about the most important things you need to know about the Danish tax system.

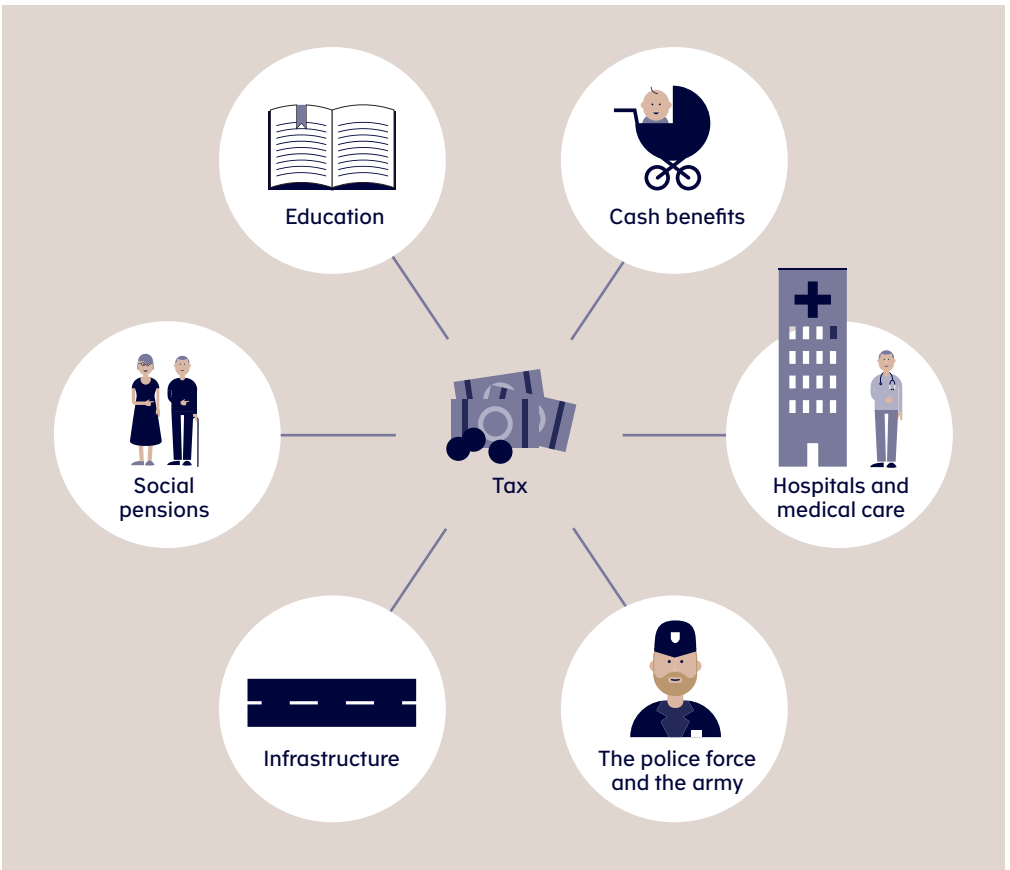


What are taxes used for in Denmark?

In Denmark we have decided that we all contribute towards the public purse. In return, we are entitled to a number of public services throughout our lives.

The tax funds are used to cover expenses for hospitals, medical care, education, the police force, the army, public transport

and maintenance of infrastructure, etc. Additionally, the tax funds finance the state education grants (SU), cash benefits and social pensions. The Danish welfare model aims to provide security, affluence and equality of opportunity for all, incl. you while working in Denmark.



Get a good start

There are four simple steps you need to take to get a good start while working in Denmark.

We have gathered an overview for you here:

- 1 Apply for a civil registration number or personal tax number
- 2 Get a tax card
- 3 Get a bank account and a NemKonto
- 4 Get a NemID

1 Apply for a civil registration number or personal tax number

If you are in Denmark to work for more than three months

You need a civil registration number (CPR number) if you plan to work in Denmark for more than three months.

Citizens from the EU and EEA countries or Switzerland only need it after six months.

You can apply for a CPR number and get registered with the Danish National Register (Folkeregister) at your local Citizen Service Centre (Borgerservice) or by contacting one of the International Citizen Service Centres (www.icitizen.dk). This goes for students as well.

If you are in Denmark for three months or less

You need a personal tax number if you plan to work in Denmark for three months or less.

To get a personal tax number, please go to www.skat.dk/taxcard and fill in form **Foreign labour force – application (04.063)**.

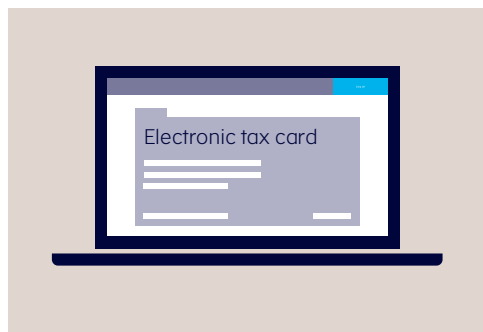


2 Get a tax card

While working in Denmark, you must pay income tax like all the Danes do. Apply for an electronic tax card by completing form **04.063** at www.skat.dk/taxcard

When your tax card is ready, your employer will be able to download it from E-income (eIndkomst) and tax will be deducted automatically from your salary.

During busy times you might have to wait a little while before your tax card is ready.



3 Get a bank account and a NemKonto

To receive your salary and payments from the public sector, you need a NemKonto.

This can be a Danish bank account or a foreign bank account registered as your NemKonto. You can contact a Danish bank to set up a Danish account and ask the bank to register it as your NemKonto. You may want to ask your employer whether your salary can be paid into a foreign account or if a Danish account is needed.

For further information, please visit www.nemkonto.dk



4 Get a NemID

NemID (Easy ID) is your digital signature. It is a single login for Danish Internet banks and government websites. You can also use your NemID to register your foreign bank account as a NemKonto at www.nemkonto.dk

Get your NemID at your local Citizen Service Centre (Borgerservice). It is also a good idea to be accompanied by a person who can confirm your identity.



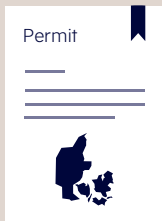
Documents you need in the process



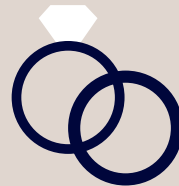
Employment contract
(signed by you and your employer)



Photo ID such as
passport or ID card



Work permit if you are a
citizen from outside the EU,
Switzerland or the
Nordic countries



Marriage certificate if you
are married (family certificate if
you are a Swedish citizen)

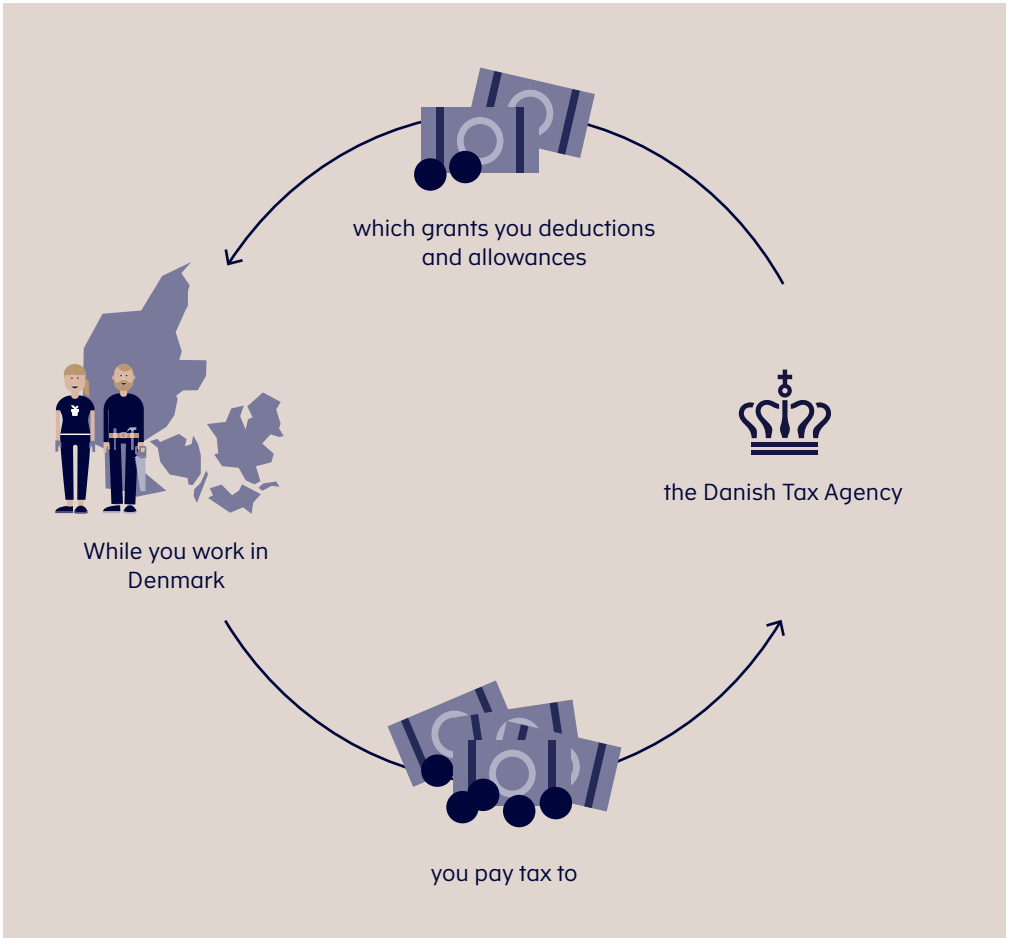
Please note that the Danish Tax Agency (Skattestyrelsen) can always ask you to document the information you have provided.

Working and living in Denmark

You may be entitled to tax deductions and allowances before your tax is calculated. The following are the most common ones.

Personal allowance

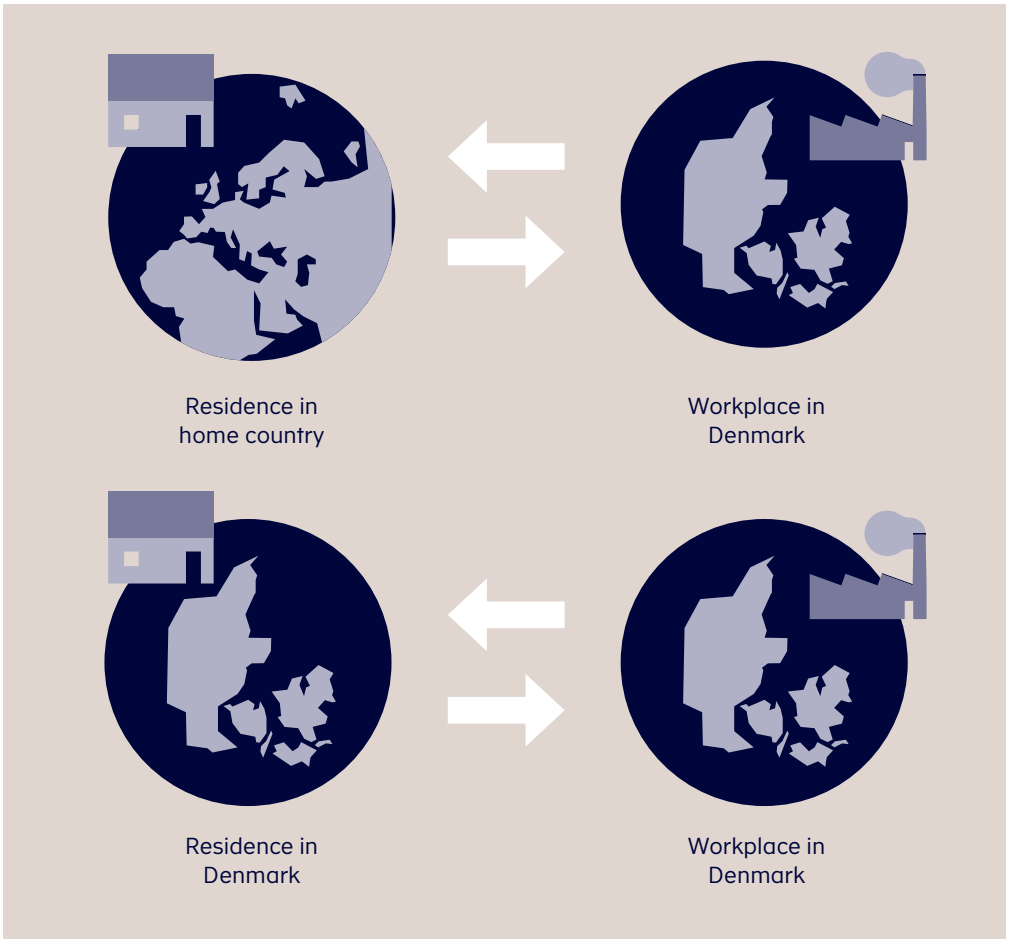
The personal allowance is a general allowance available to everybody who has an income. The allowance is only available in the period you have to pay tax in Denmark.



Deduction for transport between home and work

You have the right to a deduction for transport between home and work if the distance you travel each day is more than

24 km to and from work (that is more than 12 km each way). You may be able to deduct transport between your normal residence in your home country and your place of work in Denmark.



Please contact us for help to calculate your deduction.

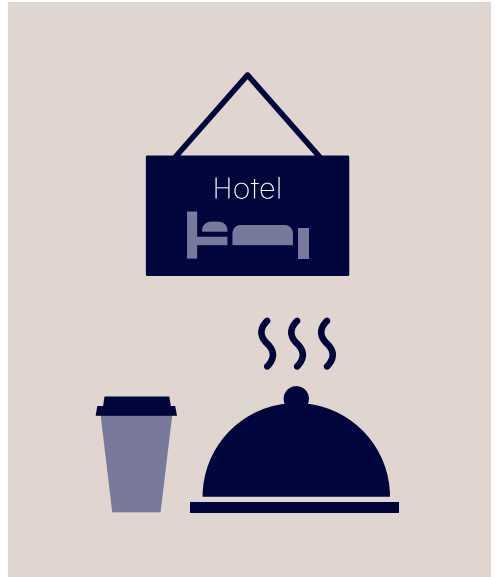
Deduction for food and accommodation

You may be entitled to a deduction for food and accommodation.

Conditions for obtaining tax deductions:

- You need to have a temporary workplace in Denmark.
- The distance between your temporary workplace and your normal place of residence must be so long that you cannot possibly travel back and forth every day.

Please note that special rules apply to temporary work and to your normal place of residence. Read more at www.skat.dk/workingindenmark (under Working and living in Denmark → Register work-related deductions).



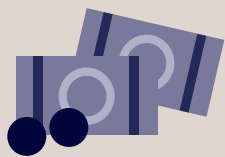
Trade union or unemployment fund

If you are a member of an unemployment fund and/or a trade union, you can normally deduct your membership fees if the memberships are related to your work in Denmark and if you cannot deduct the fees in your home country.

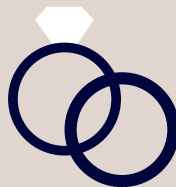


Changes in the information you have provided

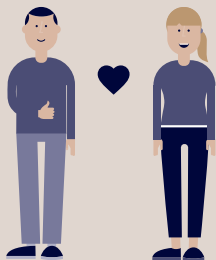
It is important that you contact the Danish Tax Agency (Skattestyrelsen) if there are changes to the information you have already provided. This could be:



if your income changes



if you get married or divorced



if your spouse, boyfriend/
girlfriend or children
move to Denmark



if you no longer have
a residence in your
home country

If you want to read more, please visit www.skat.dk/english

When your employment in Denmark ends

When your employment in Denmark ends, there are four things you should remember:

- 1 Complete and submit form 04.069
- 2 Keep your NemKonto
- 3 Notify the Danish Tax Agency (Skattestyrelsen) of your new address
- 4 Deregister from the Danish National Register

1 Complete and submit form Supplementary information to the tax assessment notice (04.069)

When you leave Denmark, please provide information about your tax deductions and allowances.

You do so by completing and submitting form **04.069** via the self-service system E-tax (TastSelv) or by regular post. You find the form at www.skat.dk/forms

You will receive your tax assessment notice in March the following year. Read more about the tax assessment notice at www.skat.dk/assessmentnotice

Cross-border worker

If you earn more than 75% of your annual income in Denmark, you can ask to be taxed according to the cross-border worker rules.



2 Keep your NemKonto

Remember to keep your NemKonto until you have received your last tax assessment notice, as any tax refunds will be credited to this account.



3 Notify the Danish Tax Agency of your new address

When you leave Denmark, you should notify the Danish Tax Agency (Skattestyrelsen) of your new address.

Please send us your new address to by email, via E-tax, or use the English contact form at www.skat.dk/contact

Call us at (+45) 72 22 28 92, for us to deregister you correctly.



4 Deregister from the Danish National Register

If you have registered with the Danish National Register (Folkeregisteret), you need to deregister when you leave the country. In order to do so, please go to your local Citizen Service Centre (Borgerservice).

You are liable to pay tax in Denmark as long as you are registered in Denmark. This implies that you must report all information about salary, assets, property, etc. to the Danish Tax Agency.



Contact us

If you have any questions please, do not hesitate to contact us.

Online

If you have NemID/E-tax password, you can use the contact form after having logged on to E-tax at www.skat.dk/english

If you do not have a CPR number or a NemID/E-tax password, you can use the English contact form at www.skat.dk/contact

Telephone

Please call the Danish Tax Agency on (+45) 72 22 28 92 for assistance in English.

Useful websites

→ Skattestyrelsen
www.skat.dk/workingindenmark

→ Borger.dk
www.lifeindenmark.dk

→ International Citizen Service
www.icitizen.dk

→ The Danish Immigration Service
www.nyidanmark.dk

→ The Danish Ministry of Employment
www.workindenmark.dk

Many public libraries have computers available for you to use.



**For recent news and
info please visit**

www.skat.dk/workingindenmark