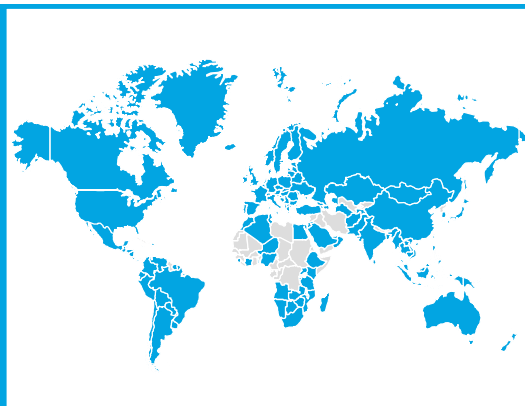


# INPATRIATES

## Sweden

### Tax facts for international assignees



#### **INCOME TAX: WHO IS LIABLE/RESIDENCY**

Swedish tax residents are subject to tax on their world wide income and all gains.

An individual maintaining a habitual abode in Sweden is considered as tax liable if he/she is present in Sweden for at least six consecutive months. This is applicable even if there is no intention of a permanent stay in Sweden.

There is an expatriate tax regime for employees with a monthly salary level above two times the Price Base Amount.

Sweden has concluded over 80 double tax treaties. Hence, the tax liability can be regulated in a treaty.

#### **Swedish Source Income**

If an individual is considered not to be tax resident, he/she can be taxed under the nonresident income tax regime. The tax can only be applied after a special decision from the Swedish tax agency. The tax rate on Swedish source employment income is a flat rate of 25%.

Generally, dividends are taxed at source with a tax rate of 30%.

Liability for real estate tax is applicable to all owners.

#### **REGISTRATION/FORMALITIES**

If the employee intends to stay in Sweden more than one year, registration is required with the Swedish Tax Agency to receive a registration number for tax and social security purposes. If the employee intends to stay less than one year, registration is still required the Swedish Tax Agency but will instead receive a specific coordination number.

Foreign employers with employees on a temporary assignment to Sweden also needs to be registered with Swedish Work Environmental Authority if the intended working time period is more than five days.

#### **BREAKING RESIDENCY - EXIT PROCEDURES**

There is no exit tax in Sweden.

When the individual leaves Sweden he/she will have to notify the Swedish Tax Authority.

## INCOME TAX RATES

Tax rate*	Taxable income
29-34 %	Up to SEK 504 400
49-54 %	From SEK 504 400 to SEK 703 000
54-59 %	From SEK 703 000

*\*The ranges reflect the varying tax rates depending on where you live in Sweden (determined by local governments) and your income level.*

*The taxable income is defined after the basic deduction (between SEK 13 400 - 35 900).*

*Tax on capital gain, dividend 30%*

*Tax on dividend unlisted shares 25%*

*Tax on dividend closely held companies 20 - 61 %*

## SOCIAL TAX RATES

Swedish employer and foreign employer with PE  
31.42% .

Foreign employer without PE 20.70%

Employee rates 0%

Employees assigned overseas to an EEA and Switzerland or to a country with which Sweden has concluded a social security convention can remain within the Swedish social security system

Employees assigned to a non-agreement count (e.g. PRC) will remain covered in Sweden if the assignment is assumed not to extend 12 months.

**For further information and to register for future updates contact [expat@bdo.global](mailto:expat@bdo.global)**

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