

## Settlement outside Belgium of pension benefits under a group insurance contract

Dear Madam,  
dear Sir,

According to the “Settlement Application”/“Notification of death” the fiscal residence or the seat of the assets of the beneficiary of the capital or the surrender value of the group insurance contract, is located outside Belgium.

We are therefore taking the liberty of informing you of the particular obligations to which AG Insurance is subject under current Belgian fiscal legislation concerning the retention of professional withholding tax.

AG Insurance is required by the Belgian tax authorities to retain professional withholding tax in Belgium at the time of settlement of pension benefits, except where the following two conditions are cumulatively met:

1. the beneficiary of the income is resident in a state that has concluded a double taxation treaty with Belgium, based on which the authority to levy tax on income lies in principle with the beneficiary’s place of residence, and
2. the beneficiary is indeed a fiscal resident of the State in question, in the meaning of the treaty, at the date of the actual payment or allotment of the income.

Proof that the second condition is fulfilled must be delivered in the form of a special attestation issued by the tax authorities in question, and be made available to AG Insurance prior to the settlement of the pension benefits.

In order to assist the beneficiary of the pension benefits with the steps to be undertaken with the tax authorities of his/her place of residence, we add, as an attachment, the document to be duly filled in or taken over by the tax authority, along with an explanatory memorandum.

Where AG Insurance has not received the above-mentioned fiscal attestation at the foreseen settlement date, AG Insurance will settle the pension benefits of the group insurance contract after withholding the professional withholding tax in accordance with Belgian tax legislation.

## Explanatory memorandum

(June 2004)

*This explanatory memorandum is intended for the tax authorities of the country of residence of the beneficiary of the pension benefits of the group insurance contract (settled through the Belgian insurance company AG Insurance).*

\*\*\*

A Belgian insurance enterprise is required by the Belgian tax authorities to retain professional withholding tax in Belgium at the time of settlement of pension benefits, except where the following two conditions are cumulatively met:

1. the beneficiary of the income is resident in a state that has concluded a double taxation treaty with Belgium, based on which the authority to levy tax on income lies in principle with the beneficiary's place of residence, and
2. the beneficiary is indeed a fiscal resident of the State in question, in the meaning of the treaty, at the date of the actual payment or allotment of the income.

Proof that the second condition is fulfilled must be delivered in the form of a **special attestation issued by the tax authorities in question**, and which the beneficiary of the income must make available to the Belgian insurance company prior to the settlement of the pension benefits.

Where the Belgian insurance company does not receive this certification, it is required to retain the professional withholding tax at source.

In order for the beneficiary of the income to be exempted from this taxation at source, we attach a model of a certificate to be filled in by the tax authorities of the beneficiary's country of residence, and the entire contents of which need to be taken over into a document.

## Fiscal certification

The tax authorities at .....

are aware of the fact that

Mr/Ms .....

born on ...../...../.....

resident at:

.....  
 .....  
 .....

**Delete (1) or (2) depending on whether the benefits are paid in case of pension or in case of death**

(1) will be granted supplementary pension benefits by the Belgian insurance company AG Insurance sa (Bd. Emile Jacqmain 53, 1000 Brussels, Belgium, licensed under code no. 0079) under a groupinsurance contract concluded by his/her (former) employer, the company .....contract nr.....

(2) will be granted death benefits by the Belgian insurance company AG Insurance sa (Bd. Emile Jacqmain 53, 1000 Brussels, Belgium, licensed under code no. 0079) under a groupinsurance contract concluded by the (former) employer of the late Mr/Ms ..... contract nr .....

and confirms that:

the taxable place of residence or the seat of fortune (1) of

Mr/Mrs .....

at the date of signature of the present certificate is indeed established in ..... (name of country).

Done at .....

on .....

Signature + stamp

(1) In the meaning of the international double taxation treaty concluded between Belgium and the country of residence