

FROM: International Tax Manager
LOCATION: 86/441
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REFERENCE: TAX/RER/In/Y2717
SUBJECT: **BELGIUM – NEW COLLECTION AND
PAYMENT ARRANGEMENTS FOR NSIII
CONTRIBUTIONS FOR DIRECT ASSURED
BUSINESS**
ATTACHMENTS: **Appendix 1**
ACTION POINTS: **Underwriters and brokers to note**
DEADLINE: **With immediate effect**

1. Introduction

- 1.1 This bulletin advises underwriters and brokers of new collection and payment arrangements in respect of NSIII (The National Sickness and Invalidity Insurance Institute) contributions for direct assured business. These arrangements are effective immediately.
- 1.2 The NSIII is responsible for a number of contributions which were formerly handled by the National Fund for Social Rehabilitation of the Disabled (Fonds des Handicapés).
- 1.3 Lloyd's Taxation Department will administer these contributions through the Central Taxes System (CTS). Background information on the CTS, underwriters and brokers responsibilities and other related matters can be found by referring to the Lloyd's market bulletin dated 8 August 2001 (Y2594).

2. New collection and payment arrangements

- 2.1 With immediate effect Lloyd's brokers should settle NSIII contributions and premium tax with the premium to underwriters for all Belgian direct assured business. The existing arrangements should, however, continue to be used where there is a local Belgian broker – i.e. for business other than direct assured business.
- 2.2 Lloyd's Taxation Department will collect the contributions and premium tax from syndicates each quarter, commencing with the quarter ended 30 April 2002, for payment to the Belgian authorities.
- 2.3 There is no need for underwriters' contributions to be disclosed on signing, as Lloyd's Taxation Department will collect these contributions direct from syndicates.

3. Current rates of contribution

- 3.1 The current rates of contribution for both the insured and insurer can be found in Appendix 1.

4. Readership and contact details

- 4.1 This bulletin is being sent to underwriters, Lloyd's brokers and recognised auditors.
- 4.2 If you have any queries please contact Roger Ramage on 020 7327 6852 (e.mail: Roger.E.Ramage@lloyds.com) or Maureen McLeod on 020 7327 6860 (e.mail: Maureen.C.Mcleod@lloyds.com).

Maureen McLeod
Taxation Department

BELGIUM: NSIII CONTRIBUTION RATES		
Risk category	Contribution rate for insured	Contribution rate for insurer
Fire	6.5%	0.06%
Motor		
Comprehensive		
Cars and two wheeled vehicles	17.85%	0.06%
Cars used solely for business purposes, taxis, buses and lorries (unlimited tonnage)	12.85%	0.06%
Third party		
Cars and two wheeled vehicles	17.85%	0.06%
Cars used solely for business purposes, taxis, buses and lorries (unlimited tonnage)	12.85%	0.06%
<u>Note:</u> The above rates are inclusive of a 0.35% (Red Cross) contribution which is only charged on the third party element		
Accidents at work insurance	5.5%	0.06%
Employers must take out compulsory insurance to cover employees for injury from accidents at work and on the way to and from work.		
Hospitalisation insurance	10%	Nil

For administrative simplicity the rates shown above for motor represent consolidated rates. Should you require a more detailed breakdown of the contribution rates for motor please contact the Lloyd's Taxation Department.