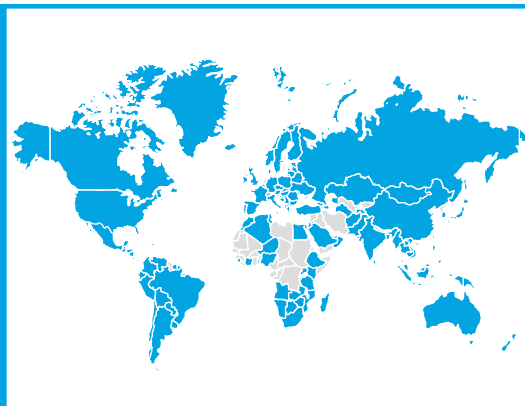


EXPATRIATES

Norway

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE

An assignee will be deemed to have moved from Norway for tax purposes once he/she takes up permanent residency abroad. Temporary stays abroad do not cancel tax residency.

For a person who has been resident in Norway for less than ten years prior becoming permanently resident abroad, residence in Norway will be deemed to have ended for the income year if it can be substantiated that the person in question has not stayed in Norway for one or more periods that exceed 61 days cumulatively during the income year, and that the person or a closely related party of the person has not had a home available in Norway, see the Taxation Act section 2-1 (3) letter (a).

The individual will continue to be taxed as a tax resident in Norway in the year in which he/she moved abroad, plus the three following income years, if the assignee has lived in Norway for ten years or more prior to becoming permanently resident abroad. The obligation to submit a Norwegian tax return will not lapse until the tax authorities in Norway have accepted that the tax residency in Norway has ceased.

BREAKING RESIDENCY - EXIT PROCEDURES

For the tax residence in Norway to cease when moving abroad, the following conditions must be met (for those who are residents of Norway for less than 10 years):

- The person has taken up permanent residency abroad,
- The person has not stayed in Norway for one or more periods which exceed 61 days during the income year,
- Neither the person nor close relatives (spouse, cohabiting partner, child) have a place of residence available in Norway.

If the person has lived in Norway for a total of ten years or more, tax residency in Norway cannot cease until after the end of the third income year after the year in which becoming permanently resident abroad.

For his/her tax residence to cease, the following requirements must be met for all the three income years after taking up permanent residency abroad:

- The stay in Norway must not exceed 61 days during the income year,
- Neither he/she nor his/her close relatives (spouse, cohabiting partner, child) have a place of residence available in Norway.

INCOME TAX RATES AND SOCIAL SECURITY CONTRIBUTIONS

Income tax rates

| Tax rate | Income | Maximum marginal income tax rate ex social security |
|----------|-----------------------------|---|
| 22 % | 0-190 350 NOK | 47,4 % |
| 1,7 % | 190 350 NOK - 267 900 NOK | |
| 4,0 % | 267 900 NOK - 643 800 NOK | |
| 13,4 % | 643 800 NOK - 969 200 NOK | |
| 16,4 % | 969 200 NOK - 1 999 999 NOK | |
| 17,4 % | 2 000 000 NOK | |

Social security contribution

The employee's contribution rate is 8 %.

The social security rate for employer's is staggered. The following link provides an overview of the zones: <http://www.skatteetaten.no/en/Rates/Employersnational-insurance-contributions---zone-subdivision/> According to the EU's new guidelines for regional aid, differentiated employer's national insurance contributions can no longer be given in certain areas of the transport, energy, finance and insurance sectors. In these sectors, a tax-free amount scheme corresponding to that in Zone Ia has therefore been introduced. In the agglomeration Zone I the contribution is 14.1% of the gross income.

| Zone | Regular activity |
|----------|------------------|
| Zone I | 14.1% |
| Zone Ia | 14.1% |
| Zone II | 10.6% |
| Zone III | 6.4% |
| Zone IV | 5.1% |
| Zone IVa | 7.9% |
| Zone V | 0% |

For further information and to register for future updates contact expat@bdo.global

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