

Branch vs. Subsidiary in Belgium



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Investing in Belgium

- Belgium is located in central Europe and its position, together with its multicultural characteristics are two important advantages for investors.
- When setting up a company in Belgium investors first need to choose the type of company they will establish.



Branches or Subsidiaries in Belgium

- Foreign corporations can expand on the Belgian market by **opening a branch or a subsidiary** here.
- The differences between the two are notable and will depend on the business needs. A team of attorneys in Belgium can help you get started in the country, regardless of the type of company you choose to open.



The Main Characteristics of Branches and Subsidiaries >>

- Branches are suitable for those foreign corporations that want to control the activities of their Belgian counterpart.
- The foreign company is fully liable for its Belgian branch which has no board of directors in the country.



>> The Main Characteristics of Branches and Subsidiaries

- Opposite to the branch, the subsidiary is an independent Belgian company that is not liable towards its foreign parent company.
- This is a more flexible business option for many international companies.



The Advantages of a Belgian Branch

- Despite the fact that it is not independent from the parent company, **the branch** has the following **advantages**:
 - no [minimum capital](#);
 - no need for a board of directors;
 - several [tax advantages](#).



The Advantages of a Belgian Subsidiary

- The subsidiary's independence and flexibility are advantages for many foreign investors in Belgium. Other advantages include:
 - it is a locally incorporated company:
 - useful for national business transactions;
 - the double tax treaties allow for special taxation provisions.



Company Registration in Belgium

- Compared to setting up a branch, opening a subsidiary requires more formalities.
- The branch needs to be registered with the Commerce Court for publication purposes.
- The subsidiary needs to have its Articles of Incorporation and obtain a corporate registration number. Additionally, it is registered for tax and VAT purposes.



Company Taxation in Belgium

- [Foreign companies in Belgium](#) are taxed on their income produced in the country.
- A general [corporate income tax](#) applies in Belgium, to which a surtax is added.
- Our team of **lawyers in Belgium** can give you specific details about tax liabilities.



Legal Assistance in Belgium

- When choosing the most suitable [type of company](#), investors in Belgium are advised to look at both the advantages and the disadvantages.
- Our [law firm in Belgium](#) can provide you with personalized counselling for your company.



Thank You for Your Attention!



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