

**Report to the federal Parliament:
Exemption from payment of the withholding tax on professional income
(follow-up audit) – Cost control by the Federal State and analysis of the
exemption for research and development**



The Belgian Court of Audit examined the tax administration's management of the exemptions from payment of the withholding tax on professional income (tax advantage granted in various fields to employers or companies on the amount of tax due to the Federal State). In addition, it particularly examined the advantage granted in the field of research and development and the role of the Federal public planning department in charge of science policy "Belspo" in it. This was a follow-up audit of the Court's conclusions and recommendations made in its 2019 initial audit.

The audit revealed that of the 20 recommendations made in 2019, 9 have been met, 9 are being implemented and 2 have not yet been followed. The quality of the monitoring and reporting by the tax administration has generally improved.

The Court makes two additional recommendations in the field of research and scientific development: the administrations' powers for monitoring should be clarified and the internal control of the advisory procedure should be ensured in line with the financial importance of the tax advantage.

The report *Exemption from payment of the withholding tax on professional income (follow-up audit) – Cost control by the Federal State and analysis of the exemption for research and development* is now available (in either French or Dutch) on the Court's website (www.courtofaudit.be).