

Application concerning an exemption for my bank and/or pension provider from withholding and paying tax on returns from pension assets

Declaration I would like my bank or pension provider to be exempted from having to withhold and pay tax on the returns from my pension assets.

a) Name

CPR no

Address

Postcode and city

Country

b) From which date are you seeking exemption?

Remember to enclose documentation. See the guide.

c) Date

Signature

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Note: It is important that your tax liability has been determined before you apply as it will otherwise take longer for us to consider your application.

You must complete the form if you meet the following conditions:

- You are not fully tax liable in Denmark under section 1 of the Danish Withholding Tax Act (*Kildeskatteloven*) or
- You are fully tax liable in Denmark under section 1 of the Danish Withholding Tax Act, but are a resident abroad or in the Faroe Islands and are covered by the provisions of a double-taxation treaty.

If you live in Greenland, you cannot be exempt from the taxation of pension returns (PAL) as of 1 January 2013.

You are fully tax liable in Denmark under section 1 of the Danish Withholding Tax Act, if:

- 1) you are resident in Denmark,
- 2) without being resident in Denmark, you are staying here for a period of at least six months. Included in the six-month period are short-term stays outside Denmark, for example in connection with holidays etc.
- 3) you are a Danish citizen who, without being covered by items 1 and 2, are doing service or permanently staying on board ships registered in Denmark, unless you can document that you are resident abroad, or that you have never been a resident in Denmark. Foreign nationals who, before starting their service or their stay on board, have been tax liable in Denmark under section 1 of the Danish Withholding Tax Act are treated in the same way as Danish citizens.
- 4) you have been expatriated to do service abroad for the Danish State, regions or municipalities, and you are not covered by items 1 and 2. Your cohabiting spouse and children living at home who are under 18 years at the beginning of the income year are also fully tax liable if they are not liable to pay income tax outside Denmark under the rules governing residents there.

Exemption declaration from the Danish Tax Agency

If we approve your application for exemption, you will receive an exemption declaration from the Danish Tax Agency. The declaration exempts your pension provider from withholding and paying tax on returns from pension assets.

Please note that you are responsible for submitting the declaration to your bank or pension provider. If you do not submit it, the bank or pension provider will continue to withhold and pay tax on the returns from your pension assets.

How to complete the form

- A) Clearly state your name, address and civil registration no. (CPR).
- B) State the date from which you are seeking exemption.
- C) By signing the form, you have requested that your bank or pension provider should be exempt from withholding tax on the returns from your pension assets and paying it to the Danish Tax Agency.

Please submit the form to:

Skattestyrelsen
Nykøbingvej 76
Bygning 45
4990 Sakskøbing
Denmark

Or

you can send it as an e-mail by logging into www.skat.dk: Kontakt (*Contact*) → Skriv til os (*Write to the Danish Tax Agency*) → Indsend/indberet til os (fx blanket) (*Submit material/report to us (e.g. a form)*) → Andre blanketter (*Other forms*).

Validity

The exemption declaration is valid for as long as you meet the conditions for exemption, which means as long as:

- you are not fully tax liable in Denmark, or
- you are fully tax liable in Denmark, but are resident in another country for tax purposes according to a double-taxation treaty.

If you no longer meet one of the two conditions, it is your duty to inform your bank or pension provider so that they may start withholding and paying tax again on the returns from your pension assets. You must also inform the Danish Tax Agency that you no longer meet the conditions.

Documentation

You must enclose documentation from your new country of residence, possibly in the form of a certified address and taxation certificate, form 02.034.

You do not need to do that, however, if the Danish Tax Agency has decided that you are no longer fully tax liable in Denmark.

For which years can I seek exemption?

Your bank or pension provider may only correct your tax if you have applied for PAL tax exemption no later than on 1 May in the fourth year after the end of the income year. This appears from section 26(2) of the Danish Tax Administration Act (*Skatteforvaltningsloven*). For example, this means that the income year 2018 becomes time-barred on 1 May 2022. As a result, the bank or pension provider cannot make any corrections to income years before 2017. However, you are entitled to apply for an extraordinary review of your case if you meet one of the special conditions in section 27 of the Danish Tax Administration Act.