

Legal Shots

Tax Exemption of Balance Sheet Bonuses

Exemption of balance-sheet bonuses from IRS under the 2024 State Budget Law.

The State Budget Law of 2024 stipulates an exemption from the IRS for amounts awarded to employees as profit-sharing via balance sheet bonuses, up to a maximum of €4,100.00 (5 times the national minimum wage, which should be set at €820 for 2024), if there is a rise in the fixed salary per employee by at least 5%.

Although such income is exempt, the proposal establishes that it will be considered for the purposes of determining the IRS rate applicable to the remaining income.

This measure still depends on the approval of the 2024 State Budget Law.

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Meet our Tax Team:

