

Pension holder – Application for approval of foreign pension scheme

**Pension holder**

I am a pension holder and I am seeking approval of the foreign pension scheme specified below (section 15C(1) of the Danish Pension Tax Act (*Pensionsbeskatningsloven*))

a) Name \_\_\_\_\_ Civil registration number \_\_\_\_\_

Address \_\_\_\_\_ Telephone \_\_\_\_\_

Postcode and town/city \_\_\_\_\_ Country \_\_\_\_\_

**Foreign pension provider**

Name and address of foreign pension provider:

b) Name \_\_\_\_\_ \*) Danish SE no. (VAT reg. no.) \_\_\_\_\_

Address \_\_\_\_\_

Postcode and town/city \_\_\_\_\_ Country \_\_\_\_\_

\* If the pension provider does not have a Danish SE number, the pension provider must complete, sign and send the registration form 07.055 EN *Pension provider – Application for approval of foreign pension scheme*.

c) The deduction right must be valid from: \_\_\_\_\_

d) The pension scheme corresponds to a:

- Annuity pension    
  Temporary life annuity    
  Life annuity    
  Old-age pension    
  Capital pension

**Declaration**

I accept that regular disbursements from my pension scheme will be taxed in Denmark, even if I am no longer fully liable to pay tax in Denmark at the time of disbursement. This means:

- That disbursements from my pension scheme received after I have moved to another country are taxable under the Danish Pension Tax Act to the extent that Denmark, under the double taxation treaty with the new country of residence, could have taxed the disbursements because the insurance company etc. had been domiciled in Denmark.
- That disbursements are taxed under the Danish Pension Tax Act to the extent that Denmark, under the double taxation treaty with the country in which the pension scheme was taken out, could have taxed the disbursements because the insurance company etc. had been domiciled in Denmark.

I accept that the Danish Tax Agency needs to check and approve the pension provider and that it is a condition that the pension provider undertakes the same obligations as Danish pension providers.

e) Date \_\_\_\_\_ Signature \_\_\_\_\_

\_\_\_\_\_

## Guide to completing form number 07.054 EN. To be completed by the pension holder

You must complete the form if you take out a pension scheme with a pension provider in an EU member state or EEA state other than Denmark and want the Danish Tax Agency to approve the scheme. You must complete one form for each scheme for which you are seeking approval. If the pension provider is registered in Denmark and the Danish Tax Agency approves the pension scheme, you are entitled to an exemption or a deduction in your taxable income for your contributions to the pension scheme (section 15C of the Danish Pension Tax Act). A pension provider is a pension fund, a life insurance company or a bank or credit institution.

### How to complete the form

- a) State your name and address.
- b) State the name and address of the foreign pension provider with which the pension scheme was taken out. If the company has a Danish SE number, you must state this on the form. If the pension provider does not have an SE number, the pension provider must register in Denmark by completing form number 07.055 EN *Pension provider – Application for approval of foreign pension scheme* and sending it to the Danish Tax Agency.
- c) State the date from which you want the deduction to apply. Please note that the deduction will not apply until the Danish Tax Agency has approved the scheme.
- d) Tick the type of pension scheme to which your scheme corresponds. Your pension scheme can only be approved if it meets certain conditions. You must therefore also send a description of your pension scheme in English or Danish and a copy of the pension agreement to the Danish Tax Agency before we can approve the scheme.

Your pension scheme should correspond to a temporary life annuity, or a life annuity, an old-age pension savings scheme or a capital pension scheme:

- An annuity pension is a scheme under which the pension is paid out e.g., in monthly installments over a period of at least ten years. The pension cannot be paid out to you until you reach the retirement age at the earliest, and the disbursements must have stopped 30 years thereafter at the latest. The disbursements are taxed as personal income. If you cash in the annuity pension or some of the savings before you reach the retirement age, you must pay a tax penalty of 60% to the Danish state.
- A temporary life annuity is a pension scheme which guarantees you a pension in the form of regular disbursements for at least ten years, but disbursements will cease upon your death. The disbursements cannot begin until you reach the retirement age at the earliest.
- A life annuity is a pension scheme which guarantees you a pension in the form of regular disbursements until your death. The disbursements cannot begin until you reach the retirement age at the earliest.
- The old-age pension is a pension scheme from which you have the option of having the pension paid out as a lump sum or distributed over several disbursements once

you have reached retirement age or within a period of 20 years from that date. If, in one way or other, you have the old-age pension or part of it at your disposal before you reach the early retirement age, you pay a tax penalty of 20% to the Danish state. There is no tax exemption for contributions to old-age pensions.

- A capital pension is a scheme where the pension will be paid out as a lump sum at a specified time after you have reached the retirement age and within 20 years thereafter. You must pay a tax of 40% to the Danish state. If you cash in or otherwise deal with the capital pension or some of the savings before you reach early retirement age, you must pay a tax penalty of 52% to the Danish state. From 1 January 2013, you will no longer be able to take out a capital pension scheme or claim tax relief or exemption in relation to your taxable income for contribution to capital pension schemes.
- e) By signing the form, you request that your pension scheme be approved. At the same time, you accept that the regular disbursements will be taxed in Denmark.

The fact that you accept being taxed on disbursements from your pension scheme in Denmark means that if you have taken out a pension scheme with a pension provider in a country with which Denmark has entered into a double taxation treaty concerning taxation by the country of source and if you have had this approved in pursuance of section 15 C, and if you subsequently stay in Denmark when you attain pension age, the relevant country is able to tax the disbursements as the country of source in accordance with the double taxation treaty. Denmark also taxes the disbursements subject to your (the pension saver's) declaration. However, Denmark allows for credit relief for the foreign tax pursuant to section 33 of the Danish Tax Assessment Act.

Tax is hence payable to Denmark with relief for tax at source already paid to the country of source.

If, at the time of pensioning, you move to the country in which the pension scheme was taken out, this country is able to tax the disbursements from your pension scheme both as the country of source and as the country of residence, while Denmark is able to tax the disbursements in accordance with your declaration.

It is not possible to have the Danish tax reduced by the tax paid in this other country. Instead, the other country should, as the country of residence for the pensioner (you), apply internal relief rules in relation to the Danish tax paid.

Please send the form, a description of your pension scheme, a copy of the pension agreement and any other documentation to:

**Skattestyrelsen**  
Nykøbingvej 76  
Bygning 45  
4990 Sakskøbing  
Denmark