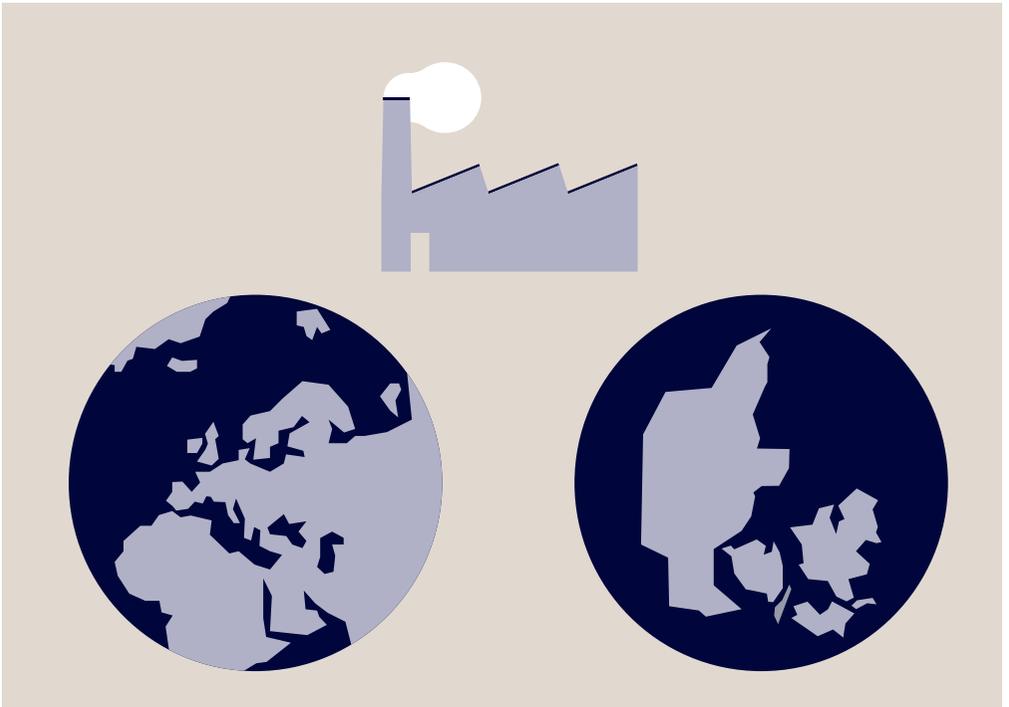


# Is your business subject to tax in Denmark?

This guide is for businesses resident for tax purposes or established outside Denmark with business activities in Denmark. The guide lists the rules on when you and your business will have to pay taxes in Denmark.



## Are you running a business or are you an employee?

When you begin working in Denmark, it is important to find out if you are considered to run a business or if you are considered

an employee. Even if you are registered as a business outside Denmark, different rules may apply here.

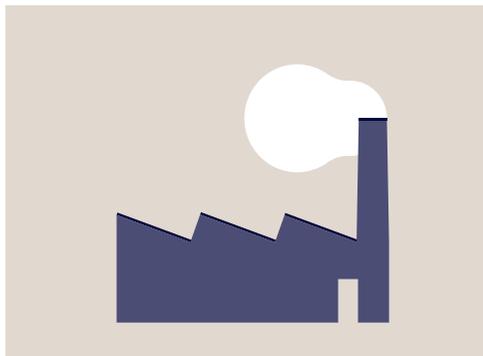
---

### Running a business

- You run the business and make the decisions (you have the power to exercise control)
- You run the financial risk
- You own the tools, machinery, etc. that are used
- You deliver all or part of the materials used to do the job.

Please read more at:

[www.skat.dk/tax-rules-for-foreign-businesses](http://www.skat.dk/tax-rules-for-foreign-businesses)



### An employee

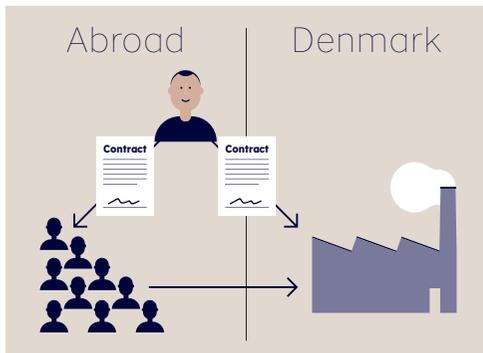
- You are considered an employee if you are being paid to perform work according to instructions from your employer and at your employer's risk. Please read more at: [www.skat.dk/workingindenmark](http://www.skat.dk/workingindenmark)
- Even if you are employed by a non-Danish business, Danish tax rules may still apply to you. Please read more at: [www.skat.dk/tax-rules-for-foreign-businesses](http://www.skat.dk/tax-rules-for-foreign-businesses)



### Hiring out labour

- Your employees are hired out to a Danish business when the work they perform is an integral part of the Danish business and the Danish business has the right to instruct the employees and runs the financial risk, etc.

Please read more at: [www.skat.dk/international-hiring-out-of-labour](http://www.skat.dk/international-hiring-out-of-labour)



## Registering your business in Denmark

You have to register your business if you set up a permanent establishment in Denmark. A permanent establishment is the location from where a business is managed; it could be a branch, an office, a factory, or work within

construction, assembling or installation if the actual work has a certain duration.

Please read more about establishing your business permanently here:

[www.skat.dk/permanent-establishment](http://www.skat.dk/permanent-establishment)

When you run a non-Danish business with permanent establishment in Denmark, you have to pay tax in Denmark and you need to get a CVR. no. (business reg. no.) via [www.virk.dk](http://www.virk.dk)

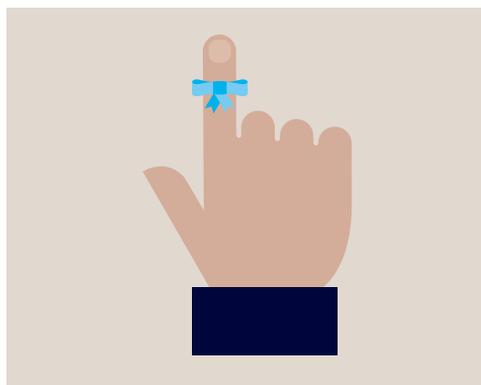
Please complete the registration form "Startblanketten" at: [www.indberet.virk.dk](http://www.indberet.virk.dk)

Please note that a non-Danish business may be required to be listed in the Register of Foreign Service Providers (RUT) if they work in Denmark temporarily.

Please read more in Danish at: [www.virk.dk/rut](http://www.virk.dk/rut)

Remember that a non-Danish business with permanent establishment in Denmark should withhold Danish tax and labour market contributions (AM-bidrag) from its employees' salaries for the work they perform in Denmark.

Please read more at: [www.skat.dk/pay](http://www.skat.dk/pay)



## VAT

A non-Danish business entering into agreements with Danish private customers (such as construction projects, cleaning jobs, etc.) must register for VAT in Denmark and charge and pay Danish VAT.

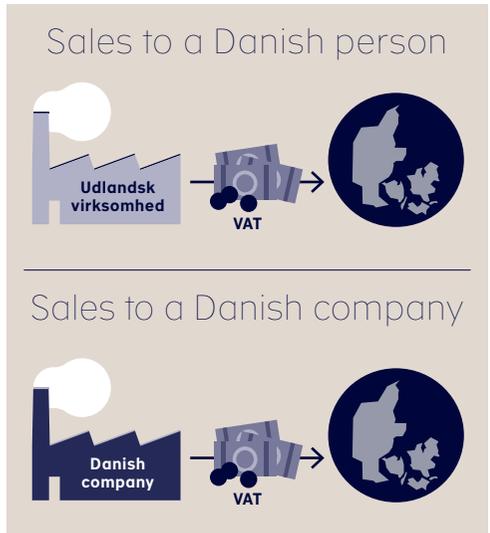
Please read more in Danish at:

[www.indberet.virk.dk/udenlandsk-virksomhed](http://www.indberet.virk.dk/udenlandsk-virksomhed)

To file a VAT return or pay VAT, a business should log on to E-tax for businesses (Tast-Selv Erhverv).

Please read more at: [www.skat.dk/vat](http://www.skat.dk/vat)

When a non-Danish business sells goods or services to a Danish business (trade between two businesses), it is a question of reverse charge. This means that the Danish business (the buyer) should pay the VAT.



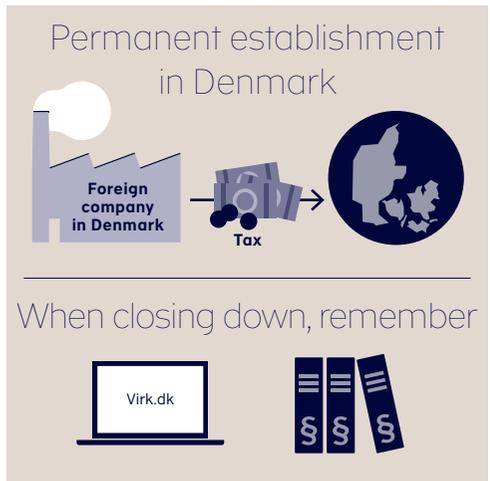
## Tax in Denmark

A non-Danish business with permanent establishment in Denmark is subject to pay tax in Denmark. Please read more at: [www.skat.dk/tax-rules-for-foreign-businesses](http://www.skat.dk/tax-rules-for-foreign-businesses)

When your business has a CVR. no. (business reg. no.), please contact the Danish Tax Agency (Skattestyrelsen) to find out how you, as the owner, and your business should be registered with the Tax Agency.

When your business activities in Denmark end, please remember to:

- Deregister your business via [www.virk.dk](http://www.virk.dk)
- Inform the Tax Agency of the date when the business is no longer taxable in Denmark and other relevant information.



 Please call us on (+45) 72 22 28 81 if you have any questions.