



❖ **Does Luxembourg apply the economic employer concept for the establishment of wage tax withholding obligations?**

No. The Luxembourg tax legislation has not introduced the economic employer concept. Such concept may only be applied within the context of Double Tax Treaties (DTTs). More specifically, in cases where employment is exercised in Luxembourg by foreign tax resident employees it needs to be assessed whether the conditions set under the applicable DTTs are satisfied for Luxembourg to claim taxing rights over the foreign employees.

❖ **Is the concept implemented into national law or is it applied via practice or based on administrative instructions?**

Not Applicable.

❖ **When did your Country adopt the economic employer concept?**

Not Applicable.

❖ **Is there a threshold of days that an employee can work in your country for a domestic client without meeting the requirements of an economic employer?**

Not Applicable.

❖ **If so, how many days and for which period?**

Not Applicable.

❖ **Is the formal employer obliged to register and pay wage taxes?**

Yes.

❖ **Can the economic employer register and report wage taxes on behalf of the formal employer?**

Not Applicable.

❖ **Comments regarding the impact of the “economic employer concept” on individuals that travel for work to your country, i.e., increased administrative requirements etc.? Do the companies experience these requirements as burdening?**

Not Applicable.



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