



**Skatteetaten**

MINI-GUIDE FOR

## **Foreign businesses and employees**

IN CONNECTION WITH ASSIGNMENTS IN NORWAY  
OR ON THE NORWEGIAN CONTINENTAL SHELF

**CENTRAL OFFICE - FOREIGN TAX AFFAIRS (COFTA)**  
MARCH 2010

# Foreign businesses

## **NORWEGIAN ORGANISATION NUMBER**

Everyone who is engaged in business activity in Norway or on the Norwegian continental shelf must have a Norwegian organisation number. The same applies to businesses that only have employees who work in Norway.

An organisation number is assigned on registration in the Central Coordinating Register for Legal Entities in Brønnøysund and is used, among other things, when reporting to the tax authorities.

## **REPORTING OF CONTRACTS AND EMPLOYEES**

Information about contracts and employees used in connection with a contract shall be reported using form RF-1199 'Information about contracts, contractors and employees'.

For more information about the duty to report, see page 6.

## **VALUE ADDED TAX**

Foreign businesses that sell goods or services that are liable to VAT in Norway, must be registered in the VAT Register if sales and taxable withdrawals exceed NOK 50,000 during a 12-month period.

## **PAYMENT OF ADVANCE TAX**

Limited liability companies must pay advance tax, which is paid in two instalments in the year following the income year.

Self-employed persons are required to pay advance tax in four instalments during the income year.

## **TAX DEDUCTION FROM EMPLOYEES' WAGES**

Employers must deduct tax at the rate in employees' tax deduction cards, see page 4.

If no tax deduction card has been provided, the employer shall deduct tax at a rate of 50%.

An employer or employee can apply to the Central Office – Foreign Tax Affairs (COFTA) for exemption from tax withholdings for the employee. An exemption will be granted if the employee will not be liable to tax in Norway. The grounds for the exemption must be stated in the application.

## **PAYMENT OF EMPLOYER'S NATIONAL INSURANCE CONTRIBUTIONS AND TAX WITHHOLDINGS**

Employer's National Insurance contributions and tax withholdings for employees are paid in advance six times a year.

The employer's National Insurance contributions and tax withholdings are paid to the Tax Collector – Foreign Tax Affairs.

## **REPORTING INCOME**

The employer shall provide the tax authorities with information about wages, allowances and tax withholdings in form RF-1015 'Lønns- og trekkoppgave' (Certificate of Pay and Tax Deducted/ End of Year certificate) for all employees who have worked in Norway or on the Norwegian continental shelf. The form is sent to employers at the end of the income year. The deadline for submitting the form is 20 January in the year following the income year. If the forms are submitted online via altinn.no, the deadline is 31 January in the year following the income year.

## **TAX RETURN**

Companies must submit form RF-1028 'Selvangivelse for aksjeselskaper, verdipapirfond, banker mv' (Corporate tax return), form RF-1045 'Extract of accounts', form RF-1167 'Næringsoppgave 2' (Income Statement 2) and form RF-1217 'Spesifikasjon av forskjeller mellom regnskapsmessige og skattemessige verdier' (Specification of differences between accounting and tax values).

Self employed persons must submit form RF-1030 'Tax return' and form RF-1030-S 'Additional information for foreign nationals' and 'Form for the calculation of personal income' (RF-1224). The form 'Income Statement 1' (RF-1175) and/or 'Extract of accounts' (RF-1045) must also be submitted.

The deadline for online submission of the tax return is 31 May in the year following the income year for both companies and sole proprietorships. For companies that submit their tax return on paper, the deadline is 31 March. For sole proprietorships that submit their tax return on paper, the deadline is 30 April.

## **TAX SETTLEMENT NOTICE**

The tax settlement notice is an overview of the amounts on which the tax assessment is based. It shows whether too much or too little tax has been paid.

The tax settlement notice is sent to the business's registered address in October in the year following the income year.

# Employees

## TAX DEDUCTION CARDS

All employees who work in Norway or on the Norwegian continental shelf must have a tax deduction card.

Employees who are staying temporarily in Norway and who work for a foreign employer, must have a tax deduction card from the Central Office – Foreign Tax Affairs (COFTA).

The tax deduction card is normally issued on the basis of information provided by the employer on form RF-1199 'Information about contracts, contractors and employees', see page 7.

If the employer is not obliged to provide information (see page 6), the employee must submit form RF-1209 'Application for a tax deduction card for foreign nationals' to COFTA in order to obtain a tax deduction card. A certified copy of an ID document must be enclosed.

The tax deduction card will be sent to the employee's registered address. The Norwegian ID number (D-number or personal ID number) is stated on the tax deduction card.

Employees must give the tax deduction card to their employer.

The issuing of a tax deduction card does not mean that an employee automatically has a work permit.

## TAX RETURN

Employees who are staying temporarily in Norway and who work for a foreign employer must submit a tax return and form RF-1030-S 'Additional information for foreign nationals' to COFTA regardless of whether they are liable to tax in Norway.

The tax return is pre-completed and based on the Certificate of Pay and Tax Deducted/End of year certificate from the employer. The tax return is sent to employees in April in the year following the income year together with form RF-1030-S 'Additional information for foreign nationals'.

**Employees must themselves correct any errors and omissions in the form before submitting it.**

The deadline for submission of the tax return and additional page is 30 April. The tax return can be submitted online via [altinn.no](http://altinn.no), see page 10.

If an employee does not receive a tax return, he or she must use form RF-1281 (cannot be submitted online).

### **TAX SETTLEMENT NOTICE**

The tax settlement notice is an overview of the amounts on which the tax assessment is based. It shows whether too much or too little tax has been paid.

The tax settlement notice is sent in October in the year following the income year. It will also be available at [altinn.no](http://altinn.no).

If too little tax has been paid, the remaining amount will be collected as underpaid tax. If too much tax has been paid, the excess amount will be refunded.

### **ADDRESS**

It is very important to notify the tax authorities of any change of address, so that the tax return form and tax settlement notice are sent to the correct address, see [www.taxnorway.no](http://www.taxnorway.no).

# Duty to report

## CONTRACTS

All contracts and any subcontracts awarded to foreign contractors must be reported to the Central Office – Foreign Tax Affairs (COFTA) provided that the work is performed

- on a site for building and assembly work in Norway, or
- on a site that is under the client's control in Norway, or
- on the Norwegian continental shelf.

The duty to report applies both to businesses and to public agencies.

There is no duty to provide information if the client is a private individual or if the contract is worth less than NOK 10,000.

## EMPLOYEES

If you have a duty to provide information about the contract, you must also provide information about employees used in performance of the contract.

The client is obliged to provide information about employees who work for a foreign contractor and who work on the contract in question.

The foreign contractor is obliged to provide information about its own employees used in performance of the contract.

## REPORTING

Even if both the client and the contractor are obliged to provide information about employees used in connection with the contract, it is sufficient that one of them reports.

The information must be reported irrespective of whether the contractor and the employee(s) are liable to tax in Norway.

## **FORMS AND DEADLINES**

Information about contracts and employees used in connection with a contract shall be reported using form RF-1199 'Information about contracts, contractors and employees'.

The information must be reported as soon as possible and no later than 14 days after the work has commenced.

If changes occur after the information has been provided, corrected information must be provided no later than 14 days after the change occurred. This also applies to all changes concerning personnel used in performance of the contract.

## **SANCTIONS**

Failure to report may lead to the imposition of a penalty charge or enforcement fine and to liability for the contractor's unpaid taxes and charges.

## Duty to report – examples

### Assignments carried out on a site for building and assembly work or on the Norwegian continental shelf – reporting of the contract and employees

#### EXAMPLE

A has awarded a contract to Norwegian contractor B. B passes on the whole or part of the contract to foreign business U. U uses Norwegian and foreign employees in the performance of the contract.

NORWEGIAN PRINCIPAL CLIENT (A)

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graph TD; A[NORWEGIAN PRINCIPAL CLIENT (A)] --> B[NORWEGIAN CONTRACTOR (B)]; B --> U[FOREIGN CONTRACTOR (U)];
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NORWEGIAN CONTRACTOR (B)

FOREIGN CONTRACTOR (U)

- A is not obliged to report the contract awarded to B
- A and B both have a duty to report the contract awarded by B to U.
- A, B and U have a duty to report U's employees used in performance of the contract.

## Reporting of contracts in Norway performed on a site that is under the client's control

### EXAMPLE 1

A awards a contract to foreign business U. The contract is performed on A's premises.

NORWEGIAN PRINCIPAL CLIENT (A)

FOREIGN CONTRACTOR (U)

Is the contract performed on a site under the client's control?

**The answer is 'yes'** since the contract is performed on A's premises.

- A has a duty to report the contract awarded to U.
- A and U have a duty to report U's employees used in performance of the contract.

### EXAMPLE 2

A awards a contract to B. B passes on the whole or part of the contract to U. The contract is performed on B's premises.

NORWEGIAN PRINCIPAL CLIENT (A)

NORWEGIAN CONTRACTOR (B)

FOREIGN CONTRACTOR (U)

Is the contract performed on a site under A's control?

**The answer is 'no'** since the contract is performed on B's premises.

- A does not have a duty to report the contract awarded to U.
- B has a duty to report the contract awarded to U, see example 1.
- B and U have a duty to report U's employees used in performance of the contract.

# Online submission via altinn.no

## altinn

In order for businesses to submit online via altinn.no, the general manager or chair of the board must be registered in the Central Coordinating Register for Legal Entities in Brønnøysund ([www.brreg.no](http://www.brreg.no)). A one-time code is also needed (PIN code), which can be ordered when logging on for the first time.

A Norwegian personal ID number or D-number and a PIN code are required for individuals and owners of sole proprietorships.

PIN codes are sent a while before the tax return is sent.

If you need new PIN codes, you can order them from altinn.no.

For log-on and navigation help, contact

**Altinn User Service:**

Tel.: +47 75 00 60 00 /e-mail: [support@altinn.no](mailto:support@altinn.no)

Alternatively, the forms can be printed out from **[www.taxnorway.no](http://www.taxnorway.no)** or ordered from the Central Office – Foreign Tax Affairs.

# Kontakt

## THE BRØNNØYSUND REGISTERS

### for queries about organisation numbers

Postal address: NO-8910 BRØNNØYSUND, NORWAY

Phone: + 47 75 00 75 00

Website: <http://www.brreg.no>

### for queries about using altinn.no

Phone: + 47 75 00 60 00

E-mail: [support@altinn.no](mailto:support@altinn.no)

## CENTRAL OFFICE – FOREIGN TAX AFFAIRS (COFTA)

### for queries about:

- The obligation to provide information
- Tax liability, obligation to keep accounts and auditing duty
- Tax deduction cards, preliminary tax/advance tax
- Tax return and appeals against the tax assessment

Postal address: P.O. Box 8031, NO-4068 STAVANGER, NORWAY

Office address: Lagårdsveien 46, Stavanger

Phoning from Norway: 800 80 000

From abroad: + 47 22 07 70 00

Fax: + 47 51 96 96 96

E-mail: [sfu@skatteetaten.no](mailto:sfu@skatteetaten.no)

## LOCAL TAX OFFICE

### for queries about value added tax (VAT)

Phoning from Norway: 800 80 000

From abroad: + 47 22 07 70 00

## TAX COLLECTOR – FOREIGN TAX AFFAIRS

### for queries about:

- Payment of tax withholdings and employer's National Insurance contributions
- Submission of Certificates of Pay and Tax Deducted/End of Year Certificates
- Tax settlement notice
- Recovery of Norwegian tax in Norway or your home country

Postal address: P.O. Box 8103, NO-4068 STAVANGER, NORWAY

Office address: Lagårdsveien 46, Stavanger

Phoning from Norway: 800 80 000

From abroad: + 47 22 07 70 00

Fax: + 47 51 91 73 01

E-mail: [skattvest@skatteetaten.no](mailto:skattvest@skatteetaten.no)

## NAV NATIONAL OFFICE FOR SOCIAL INSURANCE ABROAD

Postal address: P.O. Box 8138 Dep,  
NO-0033 OSLO, NORWAY

Phone: + 47 23 31 13 00



## Skatteetaten

**Do you have questions about  
tax and work in Norway?  
Visit [www.taxnorway.no](http://www.taxnorway.no)**

**Submit tax documents to the  
Norwegian Tax Administration  
online at [www.altinn.no](http://www.altinn.no)**

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