Skatteetaten

# Regulations for completion and implementation, etc. of the Tax Payment Act (Tax Payment Regulations)

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## § 5-10a Execution of tax deduction on dividend payed to a foreign dividend recipient and dividend compensation

*§ 5-10a-1. Base for deducting tax for VPS-registered companies*

(1) If the distributing company is not familiar with the identity and tax status of the final dividend recipient, the company must deduct 25 percent withholding tax on share dividend.

(2) If the share is registered on an account in a foreign custodian's name (NOM or stating the final dividend recipient's name), the company may deduct withholding tax at a reduced rate in accordance with a tax treaty, or refrain from deducting withholding tax pursuant to the Taxation Act section 2-38, subsection 5 if the following documentation is submitted with the custodian prior to tax deduction:

- a) for personal dividend recipients claiming a reduced rate in accordance with a tax treaty: Certificate of residence issued by the tax authorities in the dividend recipient's country of residence, expressly confirming that the dividend recipient is resident there in accordance with the tax treaty with Norway. The certificate must not be older than three years at the time of the tax deduction. If the distributed dividend is less than NOK 10 000, a certificate of residence is not required. For companies ordinarily distributing dividend more than once per year, this limit must be divided on the number of ordinary dividend distributions in the income year. The amount limit applies separately for each company in which the shareholder invests. A new amount limit of NOK 10 000 will apply for extraordinary dividend distributions.
- b) for dividend recipients who are legal persons and other entities claiming a reduced rate in accordance with a tax treaty: Documentation in the form of a previous decision on refund of withholding tax or an approval from the Norwegian Tax Administration, verifying that the dividend recipient is entitled to a reduced withholding tax rate according to a tax treaty. In addition, a certificate of residence issued by the tax authorities in the dividend recipient's country of residence, expressly confirming that the dividend recipient is resident there in accordance with the tax treaty with Norway. The certificate must not be older than three years at the time of the tax deduction.
- c) for dividend recipients who are legal persons resident in the EEA-area claiming exemption pursuant to the Taxation Act section 2-38, subsection 5: Documentation in the form of a previous decision on refund of withholding tax or an approval from the Norwegian Tax Administration, verifying that the dividend recipient is entitled to exemption from withholding tax pursuant to the Taxation Act section 2-38, subsection 5. In addition, a confirmation that the dividend recipient is resident in an EEA-member state, and a self-declaration confirming that the grounds for the tax exemption remain unchanged. The confirmation of residence and self-declaration must not be older than three years at the time of the tax deduction.
- d) confirmation from the dividend recipient as mentioned in letter a to c that they are the final dividend recipient.

(3) If the share is registered on an account in the dividend recipient's name (registered directly), the company may deduct withholding tax at a reduced rate in accordance with a tax treaty, or refrain from deducting withholding tax pursuant to the Taxation Act section 2-38, subsection 5 if the documentation mentioned in subsection 2 has been submitted with the investor account operator.

0 Added by Regulation Dec 9, 2016 No. 1529 (effective Jan. 1, 2017), amended by Regulation Dec. 11, 2018 No. 1888 (effective Jan. 1, 2019).

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*§ 5-10a-2. Permission to set up NOM-accounts*

(1) The tax office may grant foreign custodians permission to hold NOM-accounts with a lower deduction rate than 25 percent. The custodian must, on demand by the tax office, provide information about who is the final dividend recipient within a deadline set by the tax office. The information must be must be up to date as of the date of the decision to distribute dividend and must include the dividend recipient's name, address, country of residence (resident for tax purposes), tax identification number (date of birth, legal entity number or similar) in the country of residence, as well as the amount of shares for which a reduced withholding tax rate has been applied and the rate applied. The foreign custodian must also, on demand, provide the tax office with documentation as described in section 5-10a-1 subsection 2 within a deadline set by the tax office.
(2) If the tax office reveals that a foreign custodian has shares registered on an account with a lower tax rate than permitted, the tax office can restrict or withdraw a permission given pursuant to subsection 1.

0 Added by Regulation Dec 11, 2018 No. 1888 (effective Jan 1, 2019).

*§ 5-10a-3. Base for deducting tax for companies outside VPS*

(1) If the distributing company is not familiar with the identity and tax status of the final dividend recipient, the company must deduct 25 percent withholding tax on share dividend.
(2) The company may in all cases deduct less withholding tax than 25 percent if the companyy, prior to deducting tax, has received documentation as described in section 5-10a-1 subsection 2.

0 Added by Regulation Dec 11, 2018 No. 1888 (effective Jan 1, 2019).