

What you need to know as a self-employed worker....



More information

Being self-employed can't be improvised! Your first step is to become affiliated to our social insurance fund. What are your rights and obligations? Here is an overview...

1. Who is self-employed?

A self-employed worker is any individual who, in Belgium, exercises a professional activity without being bound by an employment contract or a status. The activity exercised must be professional (a repeated act undertaken for the purpose of obtaining a means of subsistence without this necessarily resulting in a profit).

An assistant is any individual who assists or deputises for a self-employed worker in his profession, without being bound to him by an employment contract. He is subject to this status only as of 1 January of the year in which he reaches the age of 20 unless he is married before this date. In this case, he must become affiliated from the civil quarter of his marriage.

Assisting spouses who do not retain their own social security rights must also become affiliated and can benefit, unless an exception applies, from the same advantages as their spouse.

Authorised representatives of a company are considered to be self-employed. However, if their mandate is unremunerated they may, under certain conditions, not be affiliated.

Active partners/shareholders whether or not they are authorised representatives, are always considered to be self-employed.

2. Main or secondary occupation

A self-employed activity exercised at the same time as another professional activity is considered to be a secondary occupation if the other activity provides the right to a pension in another social security system.

This is the case for an activity: that is salaried or that falls under a statutory system (civil servant, etc.) and that covers at least half the number of hours worked by a worker with a full-time job in the same company (or in the same branch of activity) as an officially appointed teacher which covers at least 6/10ths of the timetable stipulated for the allocation of a full salary.

N.B.: Taking unpaid leave may lead to liability as a main occupation.

Certain situations are, subject to conditions, equivalent to the exercising of another professional activity.

Example: time credit, the collection of severance pay or an allowance from the mutual insurance fund, pension, etc.

N.B.: Unemployed people may, under certain very stringent conditions, exercise an activity on a self-employed basis but this is an exceptional situation which always requires prior authorisation from the ONEM (National Employment Office).

3. The obligations of self-employed workers

Affiliation to the social insurance fund

Self-employed workers must become affiliated before starting their activity. In the event of a delay, the INASTI (National Institute of Social Insurance for Self-employed Persons) could impose an administrative fine.

Duty of information

Wise and prudent affiliated members must inform their social insurance fund, within 15 days, of any modification in the data on their declaration of affiliation.

Affiliation to a mutual insurance fund

This body reimburses health-care services in the context of insurance-disability insurance and grants you any allowances for incapacity to work to which you may be entitled.

Payment of social security contributions

All self-employed workers must, in principle, pay social security contributions.

Collection

These contributions are calculated and collected by the social insurance fund which sends a premium advice note during the first month of each quarter to all its members who are liable for contributions. If you have not received this premium advice note, ask for it without delay.

Management costs

A percentage (set by the Minister for self-employed workers) is added to the amount of the social security contributions, which represents the management costs of the fund.

Due date

All contributions must be paid at the latest on the last day of the civil quarter to which they relate. The contribution is deemed to have been paid only when the amount in question is recorded in the financial account of the social insurance fund. In the event of non-payment by the due date, a fixed surcharge of 3% per civil quarter in arrears is applied. An additional, one-off surcharge of 7%, applicable on 1 January of the civil year, must be added to all unpaid contributions or advances on contributions due between 1 January and 31 December of the past year.

Exception: self-employed workers starting an activity who became affiliated on time have an additional quarter to pay the social security contributions due for the first two quarters of activity.

Indivisibility

The contribution is due in full for every civil quarter started, even if the activity was only exercised for part of the quarter.

Calculation at the start of the activity

Self-employed workers starting their activities are in a start-up period for the calculation of their social security contributions. Fixed, provisional contributions are collected from them for the first 12 to 15 civil quarters.

The fixed contributions are established on the basis of a fixed income set by the legislator every year.

However, it is possible to pay contributions based on a higher income than the level set by law to avoid a substantial adjustment. For the first four quarters, starters for whom this is their main occupation can, under certain conditions, benefit from a reduction in their social security contributions.

Calculation in the definitive system

Self-employed workers who have been exercising their activity for more than three full civil years are in the definitive system.

The social insurance fund calculates the provisional social security contributions on the basis of the income for the 3rd year before. The amount indicated on the premium advice note is therefore based on the indexed income three years before.

As the 2024 contributions are provisionally calculated on the basis of the income for 2021, the increase in the cost of living between 2021 and 2024 has to be offset. This is why the income for 2021, the basis for the calculation of the contribution, is indexed.

The social security contributions scale that is applied to this indexed income depends on the category of the contributor (secondary, main, etc.) and the income.

For a self-employed worker for whom this is the main occupation, a rate of

- 20.5 % per year is applied on the income bracket from € 0 to € 72.810,95
- 14.16 % for the income bracket from € 72.810,96 to € 107.300,30.

Below € 16.409,20, a minimum contribution of € 899,15 is due.

The contribution of a self-employed worker for whom this is their main occupation is a minimum of € 899,15 and a maximum of € 5.153,06 per quarter.

For self-employed workers for whom this is a secondary occupation, the rates are identical but below € 1.865,45 they do not pay any social security contributions.

If the self-employed worker receives a pension, the rate is 14.7 %.

Depending on the actual situation in 2024, self-employed workers have the possibility of adjusting their payments in line with the development of their financial situation in 2024.

If self-employed workers believe, during the course of this year, that their income is higher than that used as a basis for the calculation of the contribution indicated on the premium advice note, they can pay more. They simply need to contact their social insurance fund, which will adjust the contributions on the basis of their estimated income. This will avoid a possible substantial supplement when the social insurance fund is informed of the actual income for the year in question.

If the contributions collected from self-employed workers in 2024 are based on income for 2019 that is higher than the income earned during the year, they can request a reduction by providing objective proof of the fall. However, they may not pay less than the minimum contribution due (for example, € 899.15 per quarter for 'self-employed workers for whom this is a main occupation').

N.B.: If the self-employed worker starts or starts or terminates his activity during the year, his income will have to be calculated on an annualised basis for the year (example:

If the self-employed person works for two quarters, the income must be multiplied by two).

Adjustment statement

All social security contributions are adjusted on the basis of the income for the corresponding year (that of 2024 for the year 2024). When the social insurance fund is informed of the actual income, it adjusts the social security contributions and sends a statement specifying the supplements to be paid or the amount overcharged to be reimbursed.

If a self-employed worker has obtained an exemption or a reduction in contributions and it turns out that he has paid too little, the social insurance fund is obliged to apply supplements.

Dispensation from contributions

Those liable for contributions further to their main occupation who find themselves temporarily in a difficult financial or economic situation owing to which they have difficulty paying their social security contributions can request a dispensation from contributions.

A dispensation from contributions granted entails the loss in the future of the pension for the period concerned.

Exemption from or reduction in contributions

Self-employed workers with very low incomes have another possible means of obtaining assistance.

Depending on the nature of their liability to contributions, they can request an exemption from or reduction in their contributions. This possibility may endanger current and future personal rights (family allowance, sickness-disability insurance, pension, etc.). Those wishing to benefit from this therefore have to prove that these rights are guaranteed by other means. In most cases, this guarantee will be provided by the spouse. Retired persons also have this possibility.

Recovering contributions

Reminders will be sent out for all contributions remaining unpaid at the end of a quarter, followed by formal notice delivered by a process server in the event of non-payment.

As a last resort, the social insurance fund has to summon the self-employed worker before the Labour Court or serve an injunction on them. The judgement or injunction will be implemented by a process server.

Changing social insurance fund

Any self-employed worker can change fund under the following conditions:

- have been affiliated to the same fund for four years
- have fulfilled the formalities before 30 June to take effect at the earliest on 1 January the following year
- be up to date with social security contributions.

It is no longer possible to change after 1 January of the year during which the affiliated member reaches retirement age or receives an early retirement pension in his capacity as a self-employed worker.

4. The obligations of the social insurance fund

The social insurance fund:

- calculates and collects the social security contributions
- informs the mutual insurance fund of the payment of the contributions relating to a year
- informs its affiliated members of their social rights and obligations
- grants certain rights: maternity benefit, right to bridging assistance, paternity leave, the family plan, etc.).

5. The rights of self-employed workers

Family allowance

Self-employed workers can claim family allowance, abirth allowance or an adoption bonus.

Special family allowances are available for retired or disabled recipients, orphaned or disabled beneficiaries, single-parent families, etc. Camille, the UCM family allowance fund, manages their right to family allowance.

Maternity-related allowances

Self-employed workers can claim the maternity allowance granted during the period of maternity leave. Maternity leave eligible for compensation is a minimum of three weeks and a maximum of 12 weeks (extended by one week in the event of multiple births). Part of this maternity leave can be taken on a part-time basis. The procedures must be carried out with the mutual insurance fund. Maternity assistance consists of 105 free service coupons after leave following childbirth. No application has to be submitted. Your social insurance fund takes care of everything.

In addition, self-employed workers who give birth benefit from a dispensation from payment of their social security contribution for the quarter following the birth provided they have received the maternity allowance. The contribution will be cancelled and this quarter will be taken into account for the calculation of the pension.

Paternity allowance and childbirth assistance

In the event of the birth of a child with a link of progeny or co-parentage, self-employed workers are entitled to paternity leave amounting to a maximum of 20 days or 40 half-days.

They can then benefit from a paternity and childbirth allowance granted by their social insurance fund.

If the paternity leave does not exceed eight days or 16 half-days, they can also receive childbirth assistance that consists of the reimbursement of the purchase of 15 service coupons.

Health care

Self-employed workers can, in principle, benefit from health-care cover from the first day of the quarter when they obtain the capacity of beneficiary, provided they have paid their first social security contribution or received a dispensation from this.

A mutual insurance fund coupon is sent to your mutual insurance fund.

Incapacity for work allowances

These cover incapacity for work. A six-month qualifying period applies. The period eligible for the allowance takes effect as of the first day of incapacity if this lasts at least eight days and corresponds to the twelve following months of incapacity. The disability takes effect after the period of incapacity eligible for the allowance. These allowance also entail the right to the childbirth allowance.

The family plan

When faced with particular family events (serious illness of a close family member, caring for a close family member at the end of their life, disabled child, etc.), self-employed workers experience difficulties reconciling their private and professional lives. The family plan measures are intended to help with such ordeals.

Mourning leave

In the event of the death of a close family member, you are granted an allowance during your mourning leave of a maximum of 10 days

Retirement

Self-employed workers, assistants and assisting spouses can, under certain conditions, claim a retirement pension. In the event of death or divorce, their spouses or ex-spouses can also benefit from a specific pension.

The retirement pension

The pension is granted to a person who can prove a professional activity in a personal capacity as a self-employed worker or assistant. A full career covers 14,040 days.

The legal retirement age is currently set at

65 years. Self-employed workers can request early retirement under certain conditions relating to age and the length of their career.

Authorised work

Retired people aged over 65 or those in receipt of an early retirement pension with a career of 45 years can exercise a professional activity.

This must be authorised by the body that examined the 'pension' dossier. This activity is not subject to any limit on income.

The activity must sometimes be limited. Certain retired people (those aged under 65 years (unless an exception is granted), those in receipt of a survivor's pension only, etc.) cannot therefore receive professional income above a limit set by the legislator. If the limits are exceeded, penalties are applied.

Free supplementary pension (PLC)

The PLC enables self-employed workers to improve the amount of their future pension by making voluntary payments. Consider the PLC UCM!

6. Rights after the termination of activity

Self-employed workers for whom this is their main occupation and who stop their activity can retain certain rights.

Ongoing insurance

Subject to certain conditions, they can continue to contribute voluntarily for a limited period of time (in principle two years) while waiting to be 'attached' to another social security system.

Assimilation due to illness

This involves assimilating periods of inactivity due to illness or disability to periods of actual activity without paying social security contributions. Other types of assimilation are possible (studies, military service).

Right to bridging assistance

Self-employed workers who go bankrupt can, under certain conditions, benefit from the safeguarding of their social rights for a maximum of four quarters and the payment of monthly allowances for a maximum of 12 months.

The same applies to self-employed workers who are forced to terminate their activity further to an event beyond their control (fire, allergy, roadworks, loss of clients, sector crisis, etc.) or for economic reasons.

Information memo | Self-employed workers

This memo is informative. It provides a brief overview of the rights and obligations of starters and self-employed workers.

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