

NEWSLETTER

ENERGY TAX CREDIT

As of March 31st, 2023, the Energy Tax Credit ("CIE") has been abolished. It will soon be "compensated" by a new "Crédit d'Impôt Conjoncture" ("CIC") which will be applied retroactively to January 1st, 2023.

The CIC was scheduled to come into effect on April 1st, 2023, directly replacing the CIE.

However, to this date, the application date is still unknown, but the vote of the text could still take place in June.

In this case, the tax credit would come into effect in July or August 2023. The methods for calculating the tax credit have also to be specified yet.

As a reminder, below, a summary of the current social parameters:

	2023 (01/02/2023)	2023 (01/04/2023)
Unqualified legal min. wage	€2,447.07	€2,508.24
Qualified legal minimum wage	€2,936.48	€3,009.88
Index (general)	898.93	921.40
Index	272.22	272.22
CCSS treshold (monthly)	€12,235.34	€12,541.18



«BËLLEGEN AKT»: A TAX CREDIT ON NOTARIAL DEEDS

When acquiring a property for personal use, the beneficiary is entitled to an allowance on the registration and transcription fees normally due.

The maximum amount of this allowance has been increased:

- from €20.000 to **€30.000**: single person
- from €40.000 to **€60.000**: couple

The new ceiling was voted on May 16th, 2023, but applies retroactively from **March 7th, 2023 onwards**.

Therefore, for notarized deeds signed between March 7th, 2023 and May 16th, 2023, and in the event of a tax credit surplus to be received, the tax administration has foreseen a **refund procedure**.

This provision applies to the acquisition of housing in the following cases:

- Existing housing (apartment, duplex, house, villa, etc.);
- Sale in Future State of Completion (V.E.F.A);
- Deed on land;
- Purchase of building land with the purpose of building a house within 4 years.

To qualify, however, you must meet the following conditions:

- Be a natural person,
- Reside in the Grand Duchy of Luxembourg (registered with the local population office),
- Commit to live in the property for two years,
- Not to have benefited from this provision in the past.

For further information, please consult www.guichet.lu.

MODERNISATION AND DIGITALISATION OF THE LUNCH VOUCHERS

After several attempts to adapt the system of the "Chèques-Repas" and in connection with public petition 2425, the Ministry of Finance has announced some changes to the system of lunch vouchers as of **January 1st, 2024**.

Below is an overview of the planned changes:

- Increase of the face value of a lunch voucher from €10.80 to **€15**.
 - However, the employer decides whether or not to make the increase.
- Digitalisation of the lunch vouchers: The lunch vouchers will only be available digitally on a payment card or on a smartphone (app).
- The employee participation will remain at €2.80/ lunch voucher.
- Only **5 meal vouchers** can be used per day - max. usable nominal value **€75/day**.
 - The use will be limited to food only (restaurants, snack bars, supermarkets, ...). The control possibilities will be given by the foreseen digitalisation.

We will keep you informed in the coming months if there are any adjustments to the envisaged changes.