

# Self-employed with contract for services

## Diagram

Want to work with self-employed culture workers through a contract for services? This diagram gives you a quick overview of the most important aspects of this way of working.

For what kind of work	<ul style="list-style-type: none"> <li>✓ For all possible work as long as ‘a relationship of subordination’ is not present.</li> <li>✓ Artists can cover themselves by requesting an independent contractor’s statement, but this is not the case for other professions.</li> </ul>						
Payment of social security contributions	<ul style="list-style-type: none"> <li>✓ Is handled by the self-employed themselves and paid quarterly.</li> <li>✓ A starting self-employed person in his or her principal occupation pays a <b>provisional contribution of 748.11 euros per quarter</b> (calculated on a net taxable income of EUR 14,042.57) until the end of the third full calendar year-</li> </ul> <p>When the income of a specific year is known, the contributions will be revised according to the following scheme:</p> <table border="1" data-bbox="408 1256 1366 1630"> <thead> <tr> <th style="text-align: left;">Income less than 14,042.57 euros</th> <th style="text-align: right;">Minimum contribution</th> </tr> </thead> <tbody> <tr> <td>14,042.57 euros - 60,638.47 euros</td> <td style="text-align: right;">20.5%</td> </tr> <tr> <td>60,638.47 euros - 89,361.89 euros</td> <td style="text-align: right;">14.16%</td> </tr> </tbody> </table> <p>Lower provisional contributions apply to self-employed start-ups who have not practised any self-employed activity in the past 5 years</p> <p>Plus a management fee for the social insurance agency.</p> <ul style="list-style-type: none"> <li>✓ The minimum contribution in the secondary occupation is 80 euros per quarter.</li> </ul>	Income less than 14,042.57 euros	Minimum contribution	14,042.57 euros - 60,638.47 euros	20.5%	60,638.47 euros - 89,361.89 euros	14.16%
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	<p>Please note! These amounts are indicative only. They are intended to give an idea of the magnitude of the costs. Check with your accountant or social insurance fund for the exact annual threshold amounts.</p>
Reduction on social security contributions	<p>Can be requested if you are 'needy' in the context of your principal profession or if your net taxable income is less than 1,400 euros in a secondary profession.</p>
Accrual of social security rights	<p>Are less than those as an employee. Thus there is no accrual of unemployment benefit rights, pension is lower, guaranteed income in the event of illness is limited, etc.</p>
Impact on unemployment	<ul style="list-style-type: none"> <li>✓ There are possibilities to keep your status as a self-employed person in a secondary occupation if you become unemployed in your principal occupation.</li> <li>✓ If you are already receiving unemployment benefits, you can also become a self-employed person in a secondary occupation under specific conditions.</li> <li>✓ The National Employment Office and Flemish Employment and Training Service (VDAB)/Actiris have the detailed information.</li> </ul>
Tax aspect	<ul style="list-style-type: none"> <li>✓ The self-employed person is taxed on his or her net income. This means after deduction of costs, including social security contributions.</li> <li>✓ As is the case for employees, the income of a self-employed person is taxed progressively. Thus: the more you earn, the more tax you have to pay.</li> <li>✓ As is the case for employees, tax brackets are applied. After the tax-free sum of 7,000 euros, the levy is between 25% for the lowest and 50% for the highest bracket.</li> <li>✓ The sum agreed with the client must be increased with VAT, unless the work is exempt. The standard VAT rate is 21%, the reduced rate 6%.</li> </ul>
Budget	<ul style="list-style-type: none"> <li>✓ In principle, the self-employed are free to set their price. In this they will take into account the 'market', experience, specialisation, and investments needed to practice their profession.</li> <li>✓ Organisations that receive subsidies under the Arts Decree must be able to demonstrate that the self-employed in artistic and artistic-technical positions receive remuneration similar to the wage costs of employees, in order to avoid that they would work</li> </ul>

	<p>below the current price or that the employer would encourage them to work as a self-employed person because the CLA does not apply to them.</p> <ul style="list-style-type: none"><li>✓ If the client is not VAT registered, VAT may mean an additional cost.</li></ul>
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