



## Reclaiming Danish Tax on Dividends for Swedish Individual and Corporate Shareholders in Nordic Waterproofing Holding A/S

Below we have prepared a high level description of the Danish tax consequences in respect to dividends distributed from Nordic Waterproofing Holding A/S to individual and corporate shareholders resident in Sweden.

In addition, we have described how to reclaim Danish tax on dividends from the Danish tax authorities (SKAT).

### 1. Danish taxation on dividends distributed to individual shareholders

The description below is based on the assumption that the individual shareholders are considered Swedish tax residents at all material times.

As a general rule, there is a 27% Danish withholding tax on dividends paid to individual shareholders.

However, individual Swedish shareholders are entitled to a refund as the Danish taxes withheld exceeds the amount to which Denmark has the right to tax according to the Nordic Double Tax Treaty.

According to the Nordic Double Tax Treaty such rate should be reduced to 15%. Consequently, Swedish individual shareholders are entitled to reclaim the difference between 27% and 15% i.e. the Swedish individual shareholders can reclaim 12%.

#### **Individual shareholders**

<i>Withholding tax</i>	27%
<i>Tax in Denmark</i>	15% (According to Nordic Double Taxation Treaty)
<i>Difference to be reclaimed</i>	12%

### 2. Danish taxation on dividends distributed to corporate shareholders

The description below is based on the assumption that the corporate shareholders holds less than 10% of the share capital in Nordic Waterproofing Holding A/S. In addition, the description assumes that the corporate shareholders are considered Swedish tax residents at all material times and considered the beneficial owner of the dividends.

As a general rule, there is a 27% Danish withholding tax on dividends paid to corporate shareholders.

However, corporate Swedish shareholders are entitled to a refund as the Danish taxes withheld exceeds the amount to which Denmark has the right to tax according to the Nordic Double Tax Treaty.

According to the Nordic Double Tax Treaty such rate should be reduced to 15%. Consequently the corporate Swedish shareholders are entitled to reclaim the difference between 27% and 15% i.e. the corporate shareholders can reclaim 12%.

#### **Corporate shareholders**

<i>Withholding tax</i>	27%
<i>Tax in Denmark</i>	15% (According to Nordic Double Taxation Treaty)
<i>Difference to be reclaimed</i>	12%



### **3. Reclaim of Danish withholding tax**

In order to reclaim the Danish withholding tax the following online claim form must be used (statutory requirement):

[https://udbytterefusion.skat.dk/UKSelfservice/submission/submit/SKATRefusion\\_en](https://udbytterefusion.skat.dk/UKSelfservice/submission/submit/SKATRefusion_en)

When reclaiming dividend tax with the Danish tax authorities the following documentation is generally required:

- **Documentation of final tax payable**  
The shareholder need to be able to document that the withheld dividend tax exceeds the shareholder's final tax payable according to the double tax treaty. This can be documented by submitting a "place of resident statement" or other documentation certified by the Swedish tax authorities.
- **Dividend voucher**  
The shareholder must provide documentation for each dividend for which the shareholder reclaims a refund of dividend tax. The documentation should state that dividend has been withheld and the actual amount withheld. This can be documented with a dividend statement issued by the depository bank. This statement should include the date when the dividend distribution was approved.
- **Statement of account**  
It must be made clear to the Danish tax authorities (SKAT) that the shareholder has received the dividend. The documentation should therefore state that the dividend has been deposited into the shareholder's bank account. This can be documented with a copy of the shareholder's bank statement.
- **Custody account statement**  
Statement of the shareholder's shareholding at the time when the dividend distribution was approved. This can be documented by a custody account statement.
- **Purchase voucher**  
Proof that the shareholder has bought the shares. This can be documented with a receipt.
- **Share borrowing**  
The claim must state whether the shares were borrowed from or lent to others at the time when the dividend distribution was approved.

Please note, that the Danish tax Authorities (SKAT) is entitled to request further documentation if necessary.

Generally, the Danish tax authorities will refund the reclaim within a period of 6 months. However, due to the recent fraud cases relating to reclaim of Danish dividend tax there can be delays.