



## Innovation premium

*Innovation is essential in every company. After all, irrespective of his or her position or training, every employee can contribute to the company's competitiveness by putting forward innovative proposals. To encourage a culture of innovation within the company, the government encourages the allocation of an innovation premium. The innovation premium can be allocated by the employer to one or more employees.*

### Conditions?

The innovation premium is exempted from both employer and employee social security contributions, taxes and the employer can also deduct it as a business expense, when the following conditions are met:

- This concerns an innovation with genuine added value.
- The innovation is not within the scope of work contracted by a customer.
- This concerns (intention of) implementation within the company.
- The innovation premium does not replace another wage element.

This premium can be awarded up to a maximum of 1% of the total annual wage bill. The premium may, however, never amount to more than the employee's gross monthly wage. The innovation premium can be awarded to no more than 10% of the employees, with a limit of 10 employees per project. For smaller companies (with fewer than 30 employees), this can be awarded to no more than three employees.

Contact your accountmanager or one of our specialists at [contact@vdl.be](mailto:contact@vdl.be).