

 NORWAY

Norway - Civil law (Scandinavian)

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## Incorporating a company in Norway

# Norway taxes

If you want to do business in Norway, this article will educate you on the tax laws for a LLC, which is the most common legal entity in Norway.

Norway taxes corporate income on a worldwide basis. The prevailing approximate tax rate for offshore income, from our research, and this is not personal tax advice, is 24%. The corporate income tax standard rate in Norway is 24%. This ranks Norway as 98th when compared to corporate tax rate worldwide. Petroleum and Hydropower activities are subject to an additional tax of 54% and 34.3% respectively.

The value added tax (VAT) rate is 25.00%, which ranks Norway as 171th overall with regards to value added tax rate worldwide. In terms of other taxation, an employer will contribute 14.10% to the equivalent of a social security fund and an employee will contribute 8.20%. The overall complexity of the tax system is low. This is measured by average time to comply with a country's labor tax requirements is as it is 15hours. Contributing to this is the number of yearly labor tax payments, which is 1 in NO.

Thin cap rules are in play. Thin capitalisation refers to any type of requirements on companies' debt-to-asset ratios. Dividends received from a Norwegian or EEA/EU resident company may be 97% tax exempted. If dividends are received by a non-EEA company, 97% exemption may apply if resident company holds at least 10% of the shares for at least two years. Dividends from low-tax jurisdictions may be 97% exempted, if it is proved that are conducted real business activities. Intragroup Norwegian/EEE companies dividends may be fully exempted, provided that the company holds more than 90% of shares. Dividends which are not exempted are included in corporate income tax base. A dividend is distributions of a company's earnings, decided by the board, to a class of its shareholders. Dividends can be one of the following shares of stock, cash payments, or other property.

Capital Gains from the disposal of shares from a Norwegian/EEA/EU company may be tax exempt. Gains received from a non-EEA/EU company may be tax exempt, provided that parent company holds at least 10% of the shares for at least two years. The exemption may apply to gains from subsidiaries of low-tax jurisdictions, provided that are conducted real business activities. Rest of capital gains are included in income tax base. A capital gains tax is levied on the profits that a corporation or natural person realizes when he or she sells a capital asset for a price that is higher than the purchase price.

The dividends withholding tax rate is 25%. This should be interpreted usually that the taxman expects relevant legal entities to automatically withhold 25% on dividends paid to non-residents, unless rate is reduced under a tax treaty. Dividends paid to EEA/EU residents companies may be exempt from withholding tax, provided that the shareholder conducts real business activities. Interests and royalties are not subject to withholding tax.

There is a tax on net wealth in Norway. There are no known inheritance and transfer taxes. There are real property taxes. We are aware of commonly used credits for innovation spend that include breaks on taxation in Norway.

The above is not tax or legal advice for your company's facts and circumstances. Incorporations.io can refer you to an accountant in Norway who will advise you. Want to work together? Click incorporate now if you are in a hurry, or press the free consultation button above.

The vat rate in Norway is 25% which ranks 171 in the world.

✔ Patent box

✔ RND credit

✘ Wealth tax

126 Tax treaties

24% Offshore Tax

24% Corp rate

# Norway Legalese

When looking for a jurisdiction in which to incorporate, the first thing to look at is the legal code. The body of law in Norway is civil law (scandinavian) law. You will want to get some local advice as to how to best structure a company in Norway. Electronic signatures are permitted.

The abbreviation NO is for Norway and the most common company type in Norway is a LLC.

The amount you'll have to wait is about 7-8 Days to setup a LLC in NO. The types of currencies you can use to fund your business is often NOK, USD, EUR, and any legal currency.

Yes, one is allowed to re-domicile a LLC from NO. You are usually allowed to change the jurisdiction of the company, pending certain procedures.

There must be at least 1 shareholder. This makes it possible for you to own a LLC in NO by yourself. Corporate Shareholders are allowed, meaning you could have a company as a shareholder. Foreign ownership is encouraged, up to 100% of the ownership of the LLC.

There is a requirement to have at least 2 directors. Speaking of shareholders, corporate directors are not permitted. Directors should not expect to be private, as they are disclosed. There is a body of law which requires companies to hold an annual meetings of shareholders.

A registered office is a requirement, whom the company will pay yearly, for an office which can receive any lawsuit papers on behalf of the business. Furthermore, a company secretary is a requirement.

There is a not a requirement to file annual returns. This won't preclude the legal entity or the individual shareholder from other tax or financial obligations elsewhere and you are encouraged to seek personal advice on their unique situation. On that note, there is oftentimes a requirement to have these accounts audited.

Overall we think Norway is a good option and have given it a score of 74 as an IO score, using the Incorporations.IO proprietary formula.

- ✗ **Directors not disclosed in a public registry**
- ✗ **Shareholders not disclosed in a public registry**
- ✓ **Redomiciliation permitted**
- ✓ **Registered office required**
- ✗ **Corporate director permitted**
- ✓ **Local Secretary not required**
- ✗ **Local Director not required**
- ✓ **Electronic signature**

- 1 **Shareholders required**
- 2 **Directors required**
- 7-8 Days** to form



# NORWAY

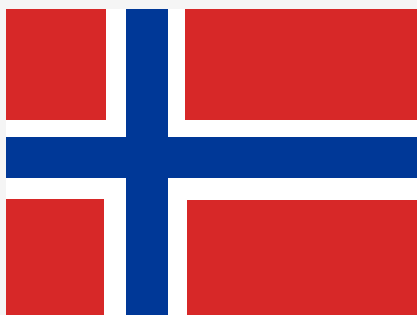
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## Country Info



🏳️ National Flag of

**Kongeriket Noreg (nno)**

**Kongeriket Norge (nob)**

**Norgga gonagasriika  
(smi)**

💰 Currency

**NOK**

☎ Area Code

**+47**

🏛 Capital

**Oslo**

📍 Region

**Northern Europe**

🗣 Native Languages

**Norwegian Nynorsk**

**Norwegian Bokmål**

**Sami**