

Taxation of Employee Share Ownership in Norway

The Norwegian Tax Administration

<https://www.skatteetaten.no/en/person/taxes/get-the-taxes-right/shares-and-securities/about-shares-and-securities/how-to-determine-the-input-value-of-your-shares/employee-shares/>

Employee shares

The following rules only apply to shares acquired at a reduced price as part of an ordinary scheme within the company. Acquisitions made at market price follow the ordinary rules for share purchases. This doesn't apply to employment-related options. From the 2018 income year, new rules apply for employee options in start-up companies.

Your benefit from having purchased the shares at a reduced price must be taxed. The taxable benefit is defined as the difference between what you have paid (cost price) and the sales value at the time of acquisition. If such acquisition is a general scheme for everyone in the enterprise, the benefit is set to the difference between estimated sales value, reduced by 25 percent, and what you paid for the shares. The reduction in the taxable benefit cannot exceed NOK 7,500 per income year.

The tax-free benefit also applies to shares acquired through options or subscription rights in employment-relations. The rules on reducing the taxable benefit of employees' purchases of shares, etc., will be revoked from and including the 2022 income year

Where can I find out if I have acquired employment-related shares?

Check whether the enterprise has introduced such a scheme for its employees. See the company's articles of association or board meeting minutes regarding share issues to employees. You can also check in the company's register of shareholders to see whether you are listed as a shareholder. Check whether you have a transfer agreement, share certificate or shareholder agreement.

If the company is registered with the Norwegian Central Securities Depository (VPS), the shares will be registered there.

How is the input value determined?

The input value is set as the sale value at the time of acquisition, i.e. the amount you paid for the shares plus any taxed benefit, in addition to any amount you may have received as a reduction in the taxable benefit, with an upper limit of NOK 7,500.