

# Taxation of cross-border workers in the Nordics

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# Cross-border workers

## The Nordic Tax Treaty

– six countries, many, many systems

- Article 15 and 19 of the OECD model
  - Frontier worker rules – FI-NO-SE
  - The Öresund agreement – DK-SE



# Cross-border workers

## Frontier worker rules – FI-NO-SE

- Article 15 and 19
- Live and work on the border
- Commuters only
- Income tax in the state residence
- Social security in the state of employment



# Cross-border workers

## The Öresund agreement – DK-SE

- Salary income under article 15
- Flexibility to work in the state of residence
- Tax and social security in the state of employment
- Compensation scheme

## New Öresund agreement

- Include article 19
- Simpler application
- Increased scope for compensation
- Pandemic proof



# Cross-border workers

## Corporate tax

- Permanent establishment
  - Home office PE
  - Dependent agent PE



# Cross-border workers

## On-going multilateral work

- OECD WP1
- Task Force on Cross-border Teleworking – EU+3
- Nordic Council of Ministers

