International Tax

Norway Highlights 2025

Updated January 2025

Recent developments

For the latest tax developments relating to Norway, see Deloitte tax@hand.

Investment basics

Currency: Norwegian Krone (NOK)

Foreign exchange control: There are no foreign exchange controls.

Accounting principles/financial statements: Norwegian GAAP and IFRS. Statutory accounts must be prepared annually.

Principal business entities: These are the public and private limited company (ASA/AS), limited partnership (KS), general partnership (ANS/DA), branch of a foreign company (NUF), and sole proprietorship.

Corporate taxation

Rates	
Corporate income tax rate	22%
Branch tax rate	22%
Capital gains tax rate	0%/22%

Residence: Limited companies incorporated in Norway and foreign companies with their effective management and control in Norway are treated as resident in Norway.

Basis: Residents are taxable on worldwide income (unless income is exempt under an applicable tax treaty). Nonresidents are taxed only on Norwegian-source income. Branches are taxed in a manner similar to resident companies, but only on Norwegian-source income.

Taxable income: Corporate income tax is imposed on a company’s profits, which consist of business/trading income, passive income, and capital gains (subject to a broad exemption for capital gains on shares). Normal business expenses may be deducted in computing taxable income.

Rate

General

The standard corporate income tax rate is 22%. Enterprises engaged in financial activities generally are subject to corporate income tax at a rate of 25%.

Surtax

There is no surtax.

Alternative minimum tax

There is no alternative minimum tax.

Global minimum tax (Pillar Two)

Norway has implemented rules that generally are in line with the global anti-base erosion (GloBE) or “Pillar Two” model rules published by the OECD/G20 Inclusive Framework on BEPS that are designed to ensure a global minimum level of taxation of 15% for multinational enterprise groups with annual consolidated revenue of at least EUR 750 million. The IIR (income inclusion rule) applies for accounting periods beginning after 31 December 2023. Norway also has opted to adopt a tax that is intended to be a qualified domestic minimum top-up tax (sometimes referred to as a QDMTT), applicable for accounting periods beginning after 31 December 2023.

Taxation of dividends: Dividends received by a resident company from another resident company or a company resident in the European Economic Area (EEA) are 97% exempt from tax, with the remaining 3% taxed at the standard corporate income tax rate of 22% (effective tax rate of 0.66%). For dividends received from a company resident in a low-tax jurisdiction (i.e., jurisdictions where these companies are subject to an effective corporate income tax rate that is less than two-thirds of the rate that would apply to comparable Norwegian resident companies) within the EEA, the 97% exemption applies only if real business activities are conducted in that jurisdiction.

Dividends received by a resident company from a company resident in a non-EEA jurisdiction are 97% exempt if the resident company has held at least 10% of the shares and voting rights in the payer company for at least two years and the foreign jurisdiction is not a low-tax jurisdiction.

Certain dividends are fully exempt from taxation (see “Participation exemption,” below).

Capital gains: Capital gains generally are taxable, subject to an exemption for capital gains on the disposal of certain shares (see “Participation exemption,” below).

Losses: Losses may be carried forward indefinitely. Liquidation losses may be carried back for two years.

Foreign tax relief: Tax credits for foreign tax paid are available in two baskets: one for “income in low-tax jurisdictions” and one for “other foreign-source income.” The maximum credit within each basket is limited to the lower of the foreign tax paid or 22% of the foreign-source income, provided that the tax payable before the credit is at least equal to the credit.

Participation exemption: Intragroup dividends from resident companies are fully exempt from taxation, provided the shareholder owns and controls more than 90% of the shares and voting rights in the payer company, or the ultimate parent company (which need not be Norwegian) owns and controls directly or indirectly more than 90% of the shares and voting rights in both companies. The exemption for intragroup dividends also applies if the distribution is from a company resident in the EEA, provided the distribution would qualify for the 97% exemption for dividends had there not been an intragroup distribution.

Capital gains derived by a resident company on the disposal of shares in another resident or EEA resident company are exempt from taxation. For gains realized on the disposal of shares in a company resident in a low-tax jurisdiction within the EEA, the exemption applies only if real business activities are conducted in that jurisdiction. Capital gains realized by a resident company on shares in a company resident in a non-EEA jurisdiction are exempt from taxation if at least 10% of the shares and voting rights have been held for at least two years and the foreign company is not resident in a low-tax jurisdiction.

Holding company regime: There is no special regime, but the participation exemption is available for certain dividends and capital gains (see "Participation exemption," above).

Incentives: Limited research and development credits are available.

Compliance for corporations

Tax year: The tax year normally is the calendar year. The tax year may vary in accordance with deviating accounting years but may not exceed 12 months.

Consolidated returns: There are no provisions for consolidated returns, but resident group companies and Norwegian branches of EEA companies may make group contributions. For a group contribution to have tax effect, both the intragroup share ownership and voting rights percentages must exceed 90%.

Filing and payment: Advance payments of corporate income tax are due twice a year (on 15 February and 15 April in the year following the tax year). Any (remaining) shortfall is payable later during that year, generally in November. The tax authorities estimate the amount of the first two payments based on the previous year's income. The final payment is based on a tax return, which companies must file electronically by 31 May. Hardcopy tax returns are not permitted.

Penalties: Penalties normally are 20% (but may be up to 40%) of the tax that is, or could have been, avoided. Interest also is charged.

Rulings: The tax authorities may issue an advance ruling at the request of the taxpayer on the tax consequences of a specific future transaction.

Individual taxation

Rates		
Individual income tax rate	**Taxable personal income (NOK)**	**Rate***
	Up to 217,400	0%
	217,401–306,050	1.7%
	306,051–697,150	4%
	697,151–942,400	13.7%
	942,401–1,410,750	16.7%
	Over 1,410,750	17.7%
Dividends and capital gains tax rate (securities)**		37.84%
Capital gains tax rate		22%

* Plus 22% municipal and national tax on taxable personal income, as well as social security contributions (see "Other taxes on corporations and individuals," below).

** Applies to stocks, stock portion of securities funds, and similar investments.

Residence: Individuals become permanent residents in Norway if they are present in Norway for a period exceeding 183 days during any 12-month period, or 270 days during any 36-month period. Individuals do not become resident during the first 12-month period if the time spent in Norway in that year is 183 days or less.

Basis: All individuals domiciled or permanently resident in Norway are subject to Norwegian income tax on their worldwide income. Nonresidents are taxed on income received from real and personal property in Norway and on directors' fees from Norwegian companies. In addition, income from personal services carried out through private or public employment in Norway by nonresidents temporarily present in Norway, including persons sent to Norway by employment agencies, is taxable. Norway's right to tax may be limited under an applicable tax treaty.

Taxable income: Income tax liability is based on worldwide income, net of expenses (including interest paid) and foreign income taxes. Taxable income includes salaries; dividends, interest, and royalties; income from real property and other capital; industrial, commercial, and agricultural profits; and shares of partnership net income, whether or not withdrawn from the partnership.

Rates: A combined municipal and national tax rate of 22% applies to net income.

In addition to the combined municipal and national tax rate of 22%, a progressive tax applies to personal (e.g., employment) income, with marginal rates of 1.7%, 4%, 13.7%, 16.7%, and 17.7%, which correspond to the following thresholds: NOK 217,401, NOK 306,051, NOK 697,151, NOK 942,401, and NOK 1,410,751. The top marginal income tax rate for personal income is 39.7% (22% + 17.7%) exclusive of social security taxes.

Income from ownership in companies and partnerships, such as dividends, distributions, and gains on the sale of shares, is subject to a 1.72 multiplier before taxation (resulting in an effective tax rate of 37.84%).

Capital gains: Capital gains are taxed at a rate of 22%. Gains from the sale of real property used as a permanent residence are taxable if the taxpayer owned the property for less than one year (five years for a vacation home) or if the taxpayer did not use the real property as their permanent residence for at least one year within the two-year period prior to the sale. Gains from the sale of shares are subject to a 1.72 multiplier before taxation (resulting in an effective tax rate of 37.84%) (see "Rates," above).

Deductions and allowances: A standard deduction from personal income is available for incidental personal expenses of up to 46% of salary, subject to a maximum employment income of NOK 92,000. The personal allowance deduction is NOK 108,550. Losses incurred on the sale of securities are fully deductible from taxable income. A resident taxpayer is entitled to an unlimited deduction for interest paid on debt. For individuals investing via certain transparent partnerships, the limitations mentioned under "Anti-avoidance rules: Interest deduction limitations," below, may apply.

Foreign tax relief: Tax credits for foreign tax paid are available in two baskets: one for "income in low-tax jurisdictions" and one for "other foreign-source income." The maximum credit within each basket is limited to the lower of the foreign tax paid or the estimated Norwegian tax on the foreign-source income, provided that the tax payable before the credit is at least equal to the credit.

Compliance for individuals

Tax year: The tax year is the calendar year.

Filing status: Spouses must file separately. Spouses can, for many capital income and itemized deduction items, choose who should include such items in their respective tax return.

Filing and payment: Tax payable on employment income is withheld at source by the employer. The deadline to file a tax return for individuals not carrying out a personal business is 30 April following the year end.

Penalties: Penalties normally are 20% (but may be increased to 40% or 60%) of the tax that is, or could have been, avoided. Interest also may be charged. Penalties could be lower or higher depending on the situation and income item.

Rulings: The tax authorities may issue an advance ruling at the request of the taxpayer on the tax consequences of a specific future transaction.

Withholding tax

Rates

Type of payment	Residents		Nonresidents	
	Company	Individual	Company	Individual
Dividends	0%	0%	0%/25%	25%
Interest	0%	0%	0%/15%	0%
Royalties	0%	0%	0%/15%	0%

Dividends: No withholding tax is imposed on dividends paid to residents. No withholding tax is imposed on dividends paid to an EEA resident company, provided the EEA resident company conducts real business activities in the EEA jurisdiction; otherwise, the relevant tax treaty rate will apply. Distributions to companies resident outside the EEA or nonresident individuals are subject to a 25% withholding tax, unless the rate is reduced under an applicable tax treaty.

Interest: Norway imposes a 15% withholding tax on interest payments made to certain related companies resident in low-tax jurisdictions (i.e., jurisdictions where these companies are subject to an effective corporate income tax rate that is less than two-thirds of the rate that would apply to comparable Norwegian resident companies), unless the rate is reduced under an applicable tax treaty. No withholding tax is imposed on other interest payments.

Royalties: Norway imposes a 15% withholding tax on royalty payments made to certain related companies resident in low-tax jurisdictions, unless the rate is reduced under an applicable tax treaty. No withholding tax is imposed on other royalty payments.

Fees for technical services: Norway does not impose withholding tax on technical service fees. However, if part of the fee is payment for the right to use or the use of intangible assets, that part may be treated as a royalty payment that could be subject to withholding tax (see “Royalties,” above).

Branch remittance tax: There is no branch remittance tax.

Other: Pensions paid to nonresident individuals are subject to a 15% withholding tax, which applies to pensions from the National Insurance Scheme, public occupational pensions, private occupational pensions, and other private pensions if the pension is earned in Norway.

Anti-avoidance rules

Transfer pricing: In principle, intercompany transactions are acceptable for tax purposes if they are based on the arm’s length principle. Documentation requirements apply.

Interest deduction limitations: Interest on debt generally may be deducted to the extent the net interest expense does not exceed 25% of adjusted tax EBITDA (earnings before interest, taxes, depreciation, and amortization). For groups, up to NOK 25 million in net interest expense for each resident company within the group generally should be deductible regardless of tax EBITDA (for each non-group company, a de minimis threshold of NOK 5 million applies). For groups subject to an interest limitation, potential relief may be sought under “equity escape” rules where a company (or Norwegian part of a group) has documented (and an auditor has confirmed) that its adjusted equity ratio is not greater than two percentage points lower than the equity ratio of the consolidated group as reflected in the group’s accounts prepared by the ultimate parent company. However, certain related party debt still may be limited regardless of de minimis thresholds or equity escape rules.

Controlled foreign companies: If at least 50% of the shares in a company resident outside the EEA are held or controlled directly or indirectly by Norwegian residents and such company is effectively subject to less than two-thirds of the Norwegian tax on the same income, the company is treated as a controlled foreign company (CFC) unless Norway has entered into a tax treaty with the relevant jurisdiction and the income is not mainly of a passive nature. The same conditions apply to companies resident in an EEA jurisdiction, except that such company is not considered a CFC if real business activities are carried out in the relevant jurisdiction.

Anti-hybrid rules: Norway has not implemented anti-hybrid rules other than an exception to the participation exemption regime for dividends paid to a resident if the nonresident payer company has been granted an income tax deduction for the dividend distribution in its jurisdiction of residence. When a capital instrument has both debt and equity features, the tax authorities adopt a substance-over-form approach. It is common practice to make an overall assessment of an instrument’s main features to determine whether it should be treated as debt or equity.

Economic substance requirements: A substance-over-form approach is recognized in Norwegian case law and tax practice. Thus, in arrangements that are primarily artificial, anti-avoidance legislation applies such that the legal form of an arrangement may be disregarded and tax imposed in accordance with the economic substance of the transaction.

Disclosure requirements: Norway has introduced country-by country (CbC) reporting rules. Documentation must be provided by 31 December of the year following the financial year end. For companies other than Norwegian-based ultimate parent entities, a reporting obligation generally will apply only if companies further up the ownership chain are resident in jurisdictions not having an agreement with Norway for the automatic exchange of information. In connection with the tax return filing, however, Norwegian group companies must state which company within the group will fulfill the CbC reporting obligation and the jurisdiction where that company is resident.

Exit tax: Exit tax applies to both corporations and individuals.

For companies, exit taxation applies when a company migrates out of Norway’s taxing jurisdiction, subject to certain exemptions when migration is to another EEA jurisdiction. If a company migrates to a low-tax jurisdiction within the EEA, the exemption is conditional on the company conducting real business activities in the new jurisdiction. When assets are migrated out of Norway, a built-in gain exceeding certain thresholds is taxable. With respect to assets owned by a taxpayer resident in an EEA jurisdiction, the payment of the tax assessed may be deferred in certain cases. However, one-seventh of the original tax must be paid every income year from the year of the migration. The deferral is subject to an interest charge and, if there is genuine risk that the tax may not be recovered, security must be provided. Exit tax on built-in gain in assets (e.g., shares) also applies if an individual migrates out of Norway.

Individuals who relocate from Norway and emigrate for tax purposes or who become tax resident in another jurisdiction pursuant to a tax treaty are deemed to have realized any latent gains on shares, securities funds, share options, etc. accrued while the individual was tax resident in Norway. The exit tax basis is the calculated unrealized gain based on the fair market value of the shares as at the day before the exit and the historical cost price or fair market value of the shares when the individual became resident in Norway. Unrealized gain above NOK 3 million is subject to taxation at 37.84% for gains on shares and similar investments. Other rates apply for interest funds and employment-related share options. As long as security is provided and shares gains are not realized, a 12-year deferral (with interest) or annual down payment over 12 years may be elected. If the individual returns to Norway within 12 years still owning the shares, the exit tax lapses. Tax compliance and reporting obligations must be met during the 12-year period. If dividends are paid before the exit tax is settled, 70% of the dividends must be used to pay off the exit tax. Exit tax also applies on gifts and inheritances of shares to a company or individual resident outside Norway. The threshold is NOK 100,000 in latent gains, and no tax-free deduction is given.

General anti-avoidance rule: The current general anti-avoidance rule (GAAR) is a statutory rule under which a transaction may be disregarded or reclassified for tax purposes if the main purpose of the transaction was to obtain a tax advantage and an overall assessment warrants that the transaction should be disregarded or reclassified for tax purposes. In making an overall assessment, relevant criteria include, among others, whether the transaction has commercial value and other effects in Norway and abroad; the extent of the tax advantage; whether the transaction is unreasonable with regard to its economic purpose; whether the same result could have been achieved in a manner not captured by the GAAR; how the relevant tax provisions are drafted; and whether respecting the transaction would be contrary to the objectives of the relevant tax provisions or general tax principles.

Value added tax

Rates	
Standard rate	25%
Reduced rate	0%/12%/15%

Taxable transactions: VAT applies at each stage of production and distribution of most goods and services, including royalties, advertising, and hotel services.

Rates: The standard rate is 25%; a lower rate of 15% applies to food and drinks, and a 12% rate applies to passenger transport, hotel accommodation, cinema tickets, and admission to museums, amusement parks, and sporting events. Certain transactions are zero-rated or exempt.

Registration: Businesses with annual turnover above NOK 50,000 must register for VAT purposes.

Filing and payment: There are six filing and payment due dates each year (every second month).

Other taxes on corporations and individuals

Unless otherwise stated, the taxes in this section apply both to companies and individuals and are imposed at the national level.

Social security contributions: A person resident or working in Norway is a compulsory insured “member” under the National Insurance Scheme (NI-scheme). The NI-scheme is financed by contributions from its members, employers of members, and the Norwegian state. Parliament sets the contribution rates annually. The employee’s contribution is 7.7% of gross income derived from employment. The employer’s contribution is differentiated regionally, ranging between 0% and 14.1%. Specific rates (capped at 10.9%) apply to income from self-employment and remuneration for work performed by partners in partnerships. The contribution for other types of personal income (e.g., pensions) is 5.1%.

Payroll tax: There is no payroll tax (other than the employer’s contribution mentioned in “Social security contributions,” above). The employer must withhold tax on salary on behalf of its employees and remit it to the tax office.

Capital duty: There is no capital duty.

Real property tax: Municipal authorities impose "rates" on the occupation of real property, which apply to the assessed value of real property at rates ranging between 0.1% and 0.7%, depending on the location and type of the property. Some municipalities do not impose the tax.

Transfer tax: In general, transfer tax is not levied, although there are some exceptions (e.g., registration fees on cars).

Stamp duty: A 2.5% stamp duty is levied on deeds of conveyance related to property/real estate.

Net wealth/worth tax: Individuals are subject to a 1% wealth tax on capital exceeding NOK 1.76 million, and a 1.10% wealth tax on net wealth exceeding NOK 20.7 million.

Inheritance/estate tax: There is no inheritance tax or estate tax.

Other: Other taxes include petroleum revenue tax and tonnage tax.

Enterprises engaged in financial activities generally are subject to an additional tax calculated at 5% of compensation paid to employees (the same compensation as is used for purposes of calculating the employer's social security contribution).

Tax treaties: Norway has concluded over 90 tax treaties. The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (BEPS MLI) entered into force for Norway on 1 November 2019.

For information on Norway's tax treaty network, visit Deloitte International Tax Source.

Tax authorities: Norwegian Tax Administration

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