



Global Reward Update — Wrap Up

September 2026

The global incentive plans landscape continues to evolve at pace, and we want to make sure you stay ahead of the curve. In this edition, we explore key tax and legal developments impacting employee incentive plans around the world – covering both new ground and important updates to topics raised in previous Global Reward Updates (GRUs). We hope you find it a useful and timely read. If any of the topics covered raise questions for your organisation, please do not hesitate to reach out to your usual Deloitte contact or any of the Incentives partners listed on the final page.

Please use the links below for each of the country updates:

Global tax & legal updates

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Argentina – Introduction of new employer contribution fund and social security incentives for private sector employers

On 6 March 2026, the Argentinian government enacted the Labour Modernisation Law No.27.802, introducing the most wide-ranging legislative reform of labour law and relations in decades.

Of key interest to global employers with employees in Argentina are:

- the establishment of a new employer contribution fund (the Labour Assistance Fund or FAL);
- reforms designed to incentivise the formalisation of employment relationships (the Labour Formalisation Incentive Regime or RIFL); and
- an amendment to the Labour Contract Law (the principal legislation governing the employment relationship in Argentina) which provides a partial exemption from employer social security in respect of share-based remuneration.

See below for further details.

The Labour Assistance Fund / FAL¹ will be mandatory from 1 November 2026. The FAL is part of a package of reforms aimed at reducing employer costs and uncertainty in relation to severance pay. In essence, it is designed to create a financial reserve to support certain obligations arising from the termination of employment and will be financed with employer contributions.

Broadly, under the FAL regime large companies will be required to make a monthly contribution of 1% of the taxable remuneration of each worker to the FAL, with small and medium-sized enterprises (SMEs) contributing 2.5%. The funds will be managed through supervised financial vehicles, with the aim of preserving their value and generating returns. Employers may use the accumulated FAL resources to cover severance obligations. It should be noted that the FAL is intended to work as a financial support tool and does not alter the employer's underlying responsibility to comply with its legal obligations in connection with the termination of employment in a timely manner.

The Labour Formalisation Incentive Regime / RIFL is designed to encourage private sector employers to hire new employees in return for a reduction in employer social security contributions (ranging from 18 to 20.4%) to 5% for up to 48 months. The RIFL applies to employers who register new employment relationships of a specified type between May 2026 and April 2027 and could lead to significant workforce savings during the 48 months following such registration. Under the RIFL, new hires must satisfy certain conditions including, amongst others, not having been in employment for the previous six months, or that their previous employment was with the public administration.

¹ Introduced on 1 June 2026 via Decree No. 408/2026



Argentina – Introduction of new employer contribution fund and social security incentives for private sector employers (continued)

Partial exemption from employer social security in respect of share-based

remuneration: finally, as part of the package of labour law reforms introduced, Decree 407/2026² provides that where share-based remuneration does not exceed 5% of gross annual remuneration, it will not be subject to employer social security contributions. It should be noted that the income tax treatment of share-based remuneration is not affected by the new law and, where such remuneration exceeds the 5% cap, the excess will be subject to employer social security (as well as income tax) in the usual way.

Please contact us if you would like to discuss the potential payroll, hiring, severance funding or equity compensation implications of these measures in further detail.



Belgium – Update: introduction of CGT on financial assets and exit tax – legislation enacted

In our December 2025 GRU Wrap Up (which can be found [here](#)), we discussed the Belgian federal government's proposals to introduce a new capital gains tax (CGT) on financial assets in respect of capital gains accruing and realised from 1 January 2026. The legislation was enacted on 3 April 2026 with retroactive effect to 1 January 2026.

As expected, the federal government introduced a new default CGT rate of 10%, together with an annual exemption of EUR 10,000 (increasing to EUR 15,000 in specific circumstances).

As noted in our December 2025 Wrap Up, employee share options that are accepted in writing within 60 days following the offer are normally only taxable in Belgium when granted and not when exercised or on a later sale of the shares.

From 1 January 2026, the “exercise gain” on share options will remain exempt. However, realised capital gains that accrue after exercise (i.e. on a subsequent sale of the shares) will be subject to the new CGT regime.

For free shares (such as performance shares) and shares purchased at a discount, the acquisition value for CGT purposes will be equal to the value of the shares on acquisition. This is to avoid double taxation in respect of the amount already subject to income tax.

In addition to the introduction of CGT on financial assets, a new “exit tax” was introduced in respect of latent capital gains where an individual's tax residence is transferred outside Belgium. However, it should be noted that in such cases actual taxation is deferred until financial instruments are sold (and is waived if there is no sale or the employee re-enters Belgium within two years following departure).

² Decree No. 407/2026 published on 29 May 2026



Belgium – Update: introduction of CGT on financial assets and exit tax – legislation enacted (continued)

The key points employers offering share-based remuneration to Belgian employees should be aware of in relation to the new CGT regime are:

- Where employers offer different types of long-term incentives (e.g. performance shares, share options) with shares acquired by employees before and / or after 1 January 2026, the calculation of the acquisition value may be complex. A specific computation tool may assist in the calculation process.
- Any capital gains realised on bank warrants (used as a pay-out alternative for bonuses) may be subject to the new CGT regime and employers should inform employees accordingly to avoid any unexpected outcomes.
- For unquoted shares acquired before 1 January 2026, taxpayers have until 31 December to determine the reference value on 31 December 2025 in accordance with the new CGT rules.
- Employees should be notified in advance that if they leave Belgium, CGT may still apply during the two years after departure (see above regarding the new exit tax).
- For employers with tax-equalised expatriates in Belgium, it is important to determine whether CGT will be within the scope of their tax equalisation policy.

Please contact us if you would like to discuss or need our assistance regarding any of the above.



Belgium – Update: Supreme Court rules social security applicable on RSUs granted by a foreign parent company

In our February 2024 GRU (which can be found [here](#)), we discussed the November 2023 ruling from the Antwerp Labour Court of Appeal, which held that the Restricted Stock Units (RSUs) in question (which were awarded by a foreign parent company) were not “borne by” the Belgian affiliate, and therefore no social security contributions were due. One of the key arguments advanced in the Antwerp Court of Appeal was that the RSUs were not granted as consideration for work performed under the employment agreement, but rather to bind the employees to the company on a long-term basis (i.e. for retention, rather than reward purposes).

On 29 June 2026, following an appeal from the National Social Security Office (NSSO), the Belgian Supreme Court overturned the Antwerp Court of Appeal decision and held that RSUs granted by a foreign parent company to employees of its Belgian affiliate did constitute salary subject to Belgian social security contributions.

The Supreme Court affirmed that benefits granted to retain employees, to encourage continued commitment, and / or to reward conscientious work are by their nature granted as consideration for work performed under an employment agreement and therefore constitute salary.

This is not the first time the Supreme Court has taken a conflicting view on this matter, as a similar decision by the Ghent Labour Court of Appeal was overturned in September 2022.

Following this ruling, if Belgian employees are receiving RSUs that are currently treated as exempt from social security, employers may wish to carry out a careful review of their position.

Please contact us if you would like to discuss or need our assistance regarding any of the above.



Norway – Update: Norwegian Tax Commission consultation on proposed changes to exit tax regime and taxation of synthetic shares

On 24 June 2026, the Norwegian Tax Commission (NTC) published a report including recommendations which, if accepted by the Norwegian government, could result in amendments to the exit tax regime (introduced from 1 January 2025) and the tax treatment of synthetic shares. We have previously covered Norwegian exit tax in our [December 2024](#) and [April 2025](#) GRU Wrap Ups and the favourable tax treatment of synthetic shares in our [December 2025 GRU Wrap Up](#).

Exit tax regime: in its June 2026 report, the NTC made three key recommendations in relation to the current exit tax rules, as follows:

- an exemption for temporary residents (such that the exit tax would not apply to persons who had been resident in Norway for a total of up to seven of the last ten years);
- the consideration of relief for capital losses realised within three years of emigration; and
- the reduction of the current 70% payment-towards-tax proportion of dividends to the dividend tax rate (currently 37.84%), together with a credit for Norwegian withholding tax paid.

A majority of the NTC recommends retaining the current 12-year payment deadline for exit tax, subject to its compatibility with EEA law, which is currently under review by the ESA (the European authority responsible for monitoring Norway's compliance with the Agreement on the European Economic Area).

Synthetic shares: in addition to its recommendations in relation to exit tax, the NTC have also recommended that the Norwegian Ministry of Finance investigate whether synthetic shares (a type of financial instrument in Norway) should be included within the shareholder model. Such inclusion could increase the applicable tax rate from a flat rate of 22% to an effective tax rate of 37.84%, while loss relief would correspondingly rise from 22% to 37.84%, thus reducing the tax efficiency for management incentive programmes (MIPs).

We will monitor the progress of the proposals and will provide updates as required. **In the meantime, please contact us** if you would like to discuss this topic or need our assistance regarding any of the above.



Singapore – Corporate tax deduction for newly issued shares used in Employee Equity-Based Remuneration schemes

As announced in Singapore's Budget 2025, with effect from the Singapore Year of Assessment 2026 (i.e. in respect of the Singapore Financial Year ended 2025), the Singapore tax authorities will allow a corporate tax deduction where a Singapore subsidiary makes payments to its holding company (including a foreign registered parent company) or a Special Purpose Vehicle (SPV) in return for newly issued shares in the holding company where these shares are used to meet obligations under an Employee Equity-Based Remuneration (EEBR) scheme³. Previously, the tax deduction was limited to the use of treasury shares in EEBR schemes.

Subject to certain conditions, the tax-deductible amount will be the lower of:

- the amount payable by the subsidiary for the new shares issued/transferred to employees; and
- the open-market price (or, if not determinable, the net asset value) of the shares at the time of issue/transfer to the employees;

in all cases reduced by any amount payable by employees for the shares.

The timing of the deduction generally follows the timing rules for treasury shares (i.e. the later of when share options are exercised / share awards vest or when the subsidiary becomes liable to pay a recharge to the holding company / SPV).

Please contact us if you would like to discuss any of the above in further detail.



United Kingdom – Accessibility improvements to ERS end of year templates from April 2027

In order to ensure that HMRC documentation is compliant with accessibility regulations, the Employment Related Securities (ERS) end of year return templates, guidance and technical notes are currently being reviewed by HMRC with the aim of making them consistent, clear and more user friendly.

HMRC plans to publish new versions at the beginning of November 2026. We will monitor any further updates but in the meantime details of the changes and the timings for implementation are available in [HMRC Bulletin 67](#).

Please let us know if you would like to discuss the above, or ERS reporting in general, in more detail.

³ This enhancement was introduced under the new Section 14MA of the Singapore Income Tax Act (SITA).



United Kingdom – HMRC publishes Guidelines for Compliance in relation to short-term business visitors

Short-term business visitors (STBVs) are individuals who normally work overseas but come to the UK for short periods to carry out employment duties.

On 27 February 2026, HMRC confirmed that non-tax advantaged ERS reporting is not required in relation to STBVs covered by appendix 4 agreements provided that no UK income tax or National Insurance contributions (NICs) are due – see our [May 2026 GRU Wrap Up](#) for further details.

In August 2026, HMRC published Guidelines for Compliance (GfC19) in relation to STBVs which can be found [here](#). These guidelines are intended to provide practical support primarily for UK employers with overseas employees working in the UK by explaining the income tax, NIC and Pay-As-You-Earn (PAYE) treatment for STBVs, as well as highlighting common errors and areas of risk identified by HMRC.

Please contact us if you'd like to discuss this matter in further detail or if you require our assistance more generally in relation to STBVs.

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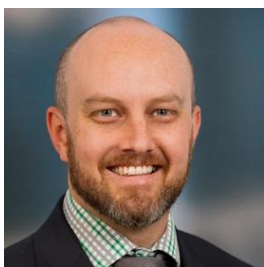


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