Non residents taxation on pensions and annuities

Pensions are periodic payments made after retirement in consideration of past employment or by way of compensation for injuries received in connection with past employment. Annuities are a stated sum payable periodically at stated times during life, or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

Most double tax agreements establish that pensions will be taxable where the pensioner is resident. Social security pensions are generally assimilated to private pensions and covered under "other pensions" section. Public pensions are normally taxed in the payment country.

Exemptions:

DTA Brazil

Pensions and similar remunerations < US$ 3.000 / calendar year: taxable where the pensioner is resident. Excess shall be taxed in both countries.

DTA Canada

Pensions and annuities can be taxed where the pensioner is resident.

- Pensions can also be taxed in the paying country. For periodic payments, however, the tax will not exceed the lesser of: 15 % of the gross amount of the payment and the amount the recipient of the payment would otherwise be required to pay if he were resident in the paying country.
- Annuities may be taxed in the paying country. Max: 15% (certain lump fees do not apply the max).
- Periodic or non-periodic social security pensions and other similar allowances and war veterans' pensions: not taxable where the beneficial owner is resident provided they are not subject to tax in the paying country.
- Alimony and other similar payments: taxable only where the beneficial owner is resident.

DTA USA

- Pensions and other similar remunerations: taxable where the pensioner is resident.
- Social security benefits: taxable only in payment country.
- Annuities: taxable only where the pensioner is resident.
- Alimony: taxable only where the pensioner is resident.
- Periodic payments for the support of a minor child (as per a separation/ divorce agreement), separate maintenance, or compulsory support,: taxable only y paying country.

DTA Luxembourg

Pensions and social security payments: shared taxation.

DTA Sweden

Social security payments and life insurance pensions: taxable in paying country provided the

beneficial owner is a national.