

Information on residency for tax purposes

Section I – Criteria for Individuals to be considered a tax resident

Income tax liability for individuals is governed by chapter 3 of the Swedish Income Tax Act (SFS 1999:1229). Individuals who reside in Sweden, who stay in Sweden continuously (for six months or more) or who have previously been resident in, and still have close ties to, Sweden, are liable to income tax and must report their worldwide income.

More information regarding taxes in Sweden for private individuals and employees is available here:

<http://www.skatteverket.se/servicelankar/otherlanguages/inenglish/individualemployees.4.70ac421612e2a997f85800095591.html>

Section II – Criteria for Entities to be considered a tax resident

Income tax liability for legal entities is governed by chapters 4-7 of the Swedish Income Tax Act. An entity will be tax resident in Sweden for income tax purposes if it is regarded as a Swedish legal entity. This includes entities registered in Sweden and entities that are not required to register but have their management in Sweden (article 3, chapter 6 of the Swedish Income Tax Act).

Entities formed/registered/incorporated outside of Sweden (foreign legal entities) are not considered resident in Sweden for income tax purposes, not even if their place of effective management is situated in Sweden.

Entities considered tax resident under Swedish law include:

- Limited Companies (aktiebolag)
- Economic Associations (ekonomiska föreningar)
- Non-profit Associations (ideella föreningar)
- Registered Religious Communities (registrerade trossamfund)
- Foundations (stiftelser)

Some foundations, non-profit associations and registered religious communities resident in Sweden have limitations in their liabilities for income tax (chapter 7 of the Swedish Income Tax Act). These entities are still considered resident.

More information for businesses, employers and other entities is available here:

<http://www.skatteverket.se/servicelankar/otherlanguages/inenglish/businessesandemployers.4.12815e4f14a62bc048f5159.html>

Section III – Entity types that are as a rule not considered tax residents

The following Swedish entities are fiscally transparent (flow-through) and not considered tax resident. Income derived from such an entity is taxed in the hands of its partners (chapter 5 of the Swedish Income Tax Act).

- Partnerships (handelsbolag)
- Limited Partnerships (kommanditbolag)

Section IV – Contact point for further information

General inquiries

General inquiries regarding residency, taxes and civil registration in Sweden can be sent by email via the Swedish Tax Agency's contact page on the web site:

<http://www.skatteverket.se/servicelankar/otherlanguages/inenglish/contactus.4.4c5def2714bbf25766d2d6f.html>

Telephone numbers and addresses are also available through this page.

International Tax Offices

The Tax Agency (Skatteverket) in Stockholm and in Malmö handles cases concerning foreign entrepreneurs. Businesses and private individuals resident in Sweden should use the web page for general inquiries for a speedy reply.

The International Tax Office (Utlandsskattekontoret) in Malmö handles entrepreneurs from the following countries:

Albania, Austria, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, The Faroe Islands, France, Germany, Greece, Greenland, Hungary, Iceland, Italy, Macedonia, Montenegro, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain and Turkey.

Swedish Tax Agency
International Tax Office
SE-205 31 Malmö
Sweden

and the International Tax Office (Utlandsskattekontoret) in Stockholm handles all other countries.

Swedish Tax Agency
International Tax Office
SE-106 61 Stockholm
Sweden