INFORMATION CONCERNING THE IMPACT OF THE LEGISLATIVE CHANGE OF 11 JUNE 2026 ON WITHHOLDING TAX

1. Communication sent to PlayRight members on 1 july 2026

Dear member,

As announced in our communication on Tuesday 23 June, we would like to provide you with more details regarding the tax change that will affect our distributions to you.

What was the situation until 1 June 2026?

Since 2008, income from neighbouring (and authors') rights has been considered as movable income, subject to withholding tax deductions. PlayRight is legally required to withhold this tax and transfer it to the Belgian State. Since 2008, performing artists have been able to benefit from a partial exemption of this withholding tax, which was calculated based on their actual professional expenses or through a flat-rate cost system. This latter system assumed that you incur expenses for your artistic work, which meant that you did not have to document those expenses yourself.[1]

From the outset, **PlayRight** has chosen to automatically apply this flat-rate cost system to all rightsholders when calculating the withholding tax, thereby reducing the taxable base on which the tax is calculated.

What is changing?

Due to a legislative change (Programme Act of 1 June 2026), from 11 June 2026, the flat-rate deduction of costs is only allowed for rightsholders who hold a valid *attestation du travail des arts* ('regular' or 'plus'). For all other rightsholders, this option will no longer be available.

How will PlayRight apply this change?

PlayRight does not know which members hold an *attestation du travail des arts*, and **PlayRight** will not ask its members for this information. Therefore, **PlayRight** will uniformly apply the new rules to everyone: from June 2026, the withholding tax will be calculated on the full gross amount, without any flat-rate deduction of costs. This new calculation method will already be applied to the upcoming distributions of 14 July 2026- i.e. the final distributions of the Audiovisual Rights for 2022, and the Audiovisual Cable Rights for 2015–2022.

[1] For income year 2025 (tax return 2026), the exemptions related to flat-rate costs were determined as follows:
- 50% exemption on the first bracket of gross income between €0 and €20.100
- 25% exemption on the second bracket of gross income between €20.100 and €40.190
- No flat-rate cost deduction above €40.190

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What does this mean in practice?

If you were to earn €10.000 in neighboring rights in 2026, then the 15% withholding tax would be calculated on an amount of €5.000 (10,000 – 50% flat-rate costs) under the previous rules. From now on, the percentage will be calculated on the full amount (15% of €10.000).

As a further illustration of the new rules, please find below a table with concrete examples which outline how the withholding tax (WT) is calculated. **This means that PlayRight may temporarily withhold more taxes than what you ultimately owe. Any excess amounts withheld can be recovered via your personal income tax return**

Income	Exemption 50% 0 - 20.100 €	Exemption 25% 20.100 – 40.190 €	WT (15%) after deduction of flat-rate costs	WT (15%) on full amount	Difference
10.000 €	5.000 €	0 €	750 €	1.500 €	750 €
35.000 €	10.050 €	3.725 €	3.183,75 €	5.250 €	2066,25 €

An important nuance: distributions made before 11 June 2026 were still calculated with the flat-rate deduction of costs, but WT for distributions from 11 June 2026 onwards will be calculated based on the new rules.

What do you need to do?

At this stage, you do not need to take any action. The final tax settlement of your income from neighbouring rights always takes place via your personal income tax return (box VII: 'Revenus de la cession ou de la concession de droits d'auteur et de droits voisins'). If you meet the conditions of this category, you can still apply the flat-rate deduction- or the deduction based on actual costs- on the income received.

The information you need for your tax return (your tax form and the detailed overview of your distributions) is available in your online file, via the PlayRight Portal**.** However, please contact a tax advisor or SPF Finance if you have any questions about your specific situation.

PlayRight is closely monitoring this change and remains committed to providing fair and accurate treatment of the taxes on your rights.

Kind regards,

The PlayRight Team

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2. FAQ

Why doesn't PlayRight simply apply the correct withholding for members with an *attestation du travail des arts*?

PlayRight does not have all the necessary information: the *attestation du travail des arts* is not always linked to the activities for which we make payments, and the attestation can also expire. At the time of each payment, we would therefore need to check whether every attestation is still valid, which would create extra workload and delays. For this reason, the same withholding is applied to all members. Any tax corrections then take place via your personal income tax return.

Am I losing money?

Not necessarily. You may temporarily receive a lower net amount because a higher withholding tax is retained. If you are entitled to a deduction of costs, this can be corrected via your tax return.

I don't live in Belgium. Does this apply to me as well?

If you live abroad, you will find all relevant information on this page.

Can I opt for withholding based on my actual costs?

Not at the time of payment by PlayRight. This can only be done, where applicable, via your personal tax return.

Why did PlayRight withhold less tax in the past?

Because, up to and including 10 June 2026, the law allowed us to automatically apply the flat-rate deduction of costs.

Has the withholding tax rate changed?

No. The percentage remains the same. Only the basis on which the withholding tax is calculated has changed.

Does this apply to all distributions?

Yes, to all payments made from 11 June 2026 onwards.

Is this new arrangement final?

No. This measure is temporary and only applies to payments made between 11 June and 31 December 2026. For payments from 1 January 2027 onwards, the way withholding tax is calculated will change. From that moment, PlayRight will reduce the taxable base by the actual costs, since they are not subject to withholding tax. These are exclusively the costs that PlayRight has full visibility on, i.e. costs related to PlayRight's own operations.

More information on how these costs will be calculated in practice will be provided in early 2027.