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TRAVEL & ACCOMMODATION EXPENSES 2023

In Luxembourg the travel expenses for business trips are reimbursed either based on actual expenses or based on per diems.

The applicable rules have been amended by the government regulation of 2 December 2022, which will enter into force on 1 January 2023¹.

I. General principles

The reimbursement by the employer of travel and accommodation expenses for business trips incurred by the employee (called travel and accommodation expenses) is possible in two ways:

- ▶ Either the employer reimburses the actual expenses to the employee based on valid receipts
- ▶ Or the employer pays per diems to the employee. If the per diems do not exceed the thresholds set by the regulation in force, they are tax free and not subject to social security contributions. The amounts of per diems exceeding these thresholds are subject to taxes and social security.

The reimbursement of actual expenses on presentation of valid receipts does not require any comments.

The system of per diems is further explained under points II to VI.

II. Lump sum reimbursement of travel expenses for business trips

Genuine transport costs and ancillary costs in relation with this transport are concerned. A distinction shall be made between business trips by public transport and business trips with private car.

A. Business trips by public transport

There is no applicable table for the lump sum reimbursement for business trips with public transport. The reimbursement has to occur based on the actual expenses duly documented by valid receipts.

B. Business trips with private car

If the employee uses his own car for business trips, the employer may pay him a tax free mileage allowance of € 0,30 per km. It is a fixed amount which applies no matter the number of kilometers in a year or the type of car.

¹Memorial A no. 619, 12 December 2022



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III. Principle of reimbursement of accommodation expenses for business trips

The lump sum reimbursement of the accommodation expenses (per diems) includes a day compensation and a night compensation. The amounts depend on the country where the employee is on business trip.

A. Day compensation

This per diem covers meal expenses during business trips.

It is granted for each full day or part day during which the employee is on business trip.

No receipts are required for the granting of the day per diem.

B. Night compensation

The night per diem covers the price for the hotel room including breakfast, service and related taxes.

Although it is a lump sum regime, the full night per diem can be granted only if valid receipts are submitted to the employer. In absence of such documents, a reduced compensation equal to 20 % of the full compensation can be granted free from taxes and social security contributions.

IV. Per diems for business trips inside Luxembourg

The following day and night per diems are applicable for business trips inside Luxembourg:

Day compensation €	Night compensation €
14	56

V. Per diems for business trips abroad

The day and night per diems for business trips outside of Luxembourg depend on the country where the employee is on business trips. The applicable day and night per diems are detailed in the table below.

Business trips within a perimeter not exceeding 25km beyond the Luxembourg borders are assimilated to business trips inside Luxembourg.

For the countries which preside the Council of the European Union, the applicable night per diems are increased by 10 % during the period of the presidency.

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Country / City	Day compensation (€)	Night compensation (€)
Albania	30	70
Tirana	45	140
Austria	50	160
Vienna	60	200
Belgium	50	160
Brussels	60	250
Bosnia-Herzegovina	40	90
Sarajevo	70	160
Bulgaria	50	180
Canada	60	170
Ottawa/Montréal/Toronto	60	190
China	60	200
Beijing	80	240
Hong Kong	80	330
Shanghai	70	285
Croatia	40	100
Zagreb/Split	70	190
Cyprus	60	210
Czech Republic	40	120
Prague	60	170
Denmark	70	200
Copenhagen	90	230
Estonia	35	85
Tallinn	55	175
Finland	80	230
France	60	170
Paris	60	250
Strasbourg	60	230
Germany	60	195
Berlin/Munich	60	220
Greece	50	130
Athens, Thessaloniki	50	180
Hungary	50	120
Budapest	60	200
India	60	200
New Delhi/Mumbai/Calcutta	60	250
Ireland	65	180
Dublin	70	220
Italy	60	180
Rome/Venice	70	220
Japan	100	220
Tokyo	100	260

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Country / City	Day compensation (€)	Night compensation (€)
Kazakhstan	60	180
Astana	60	250
Latvia	35	110
<i>Riga</i>	60	180
Lithuania	45	110
<i>Vilnius</i>	55	195
Monaco	80	250
Netherlands	50	180
<i>The Hague</i>	60	210
Norway	80	230
Poland	50	160
<i>Warsaw</i>	60	210
Portugal	50	150
Lisbon/Porto	60	185
Rumania	40	120
Bucharest	60	200
Russia	40	125
Moscow	90	250
St. Petersburg	80	240
Singapore	80	250
Slovakia	35	120
Bratislava	60	170
Slovenia	40	120
Ljubljana	60	170
Spain	50	180
Madrid/Barcelona	60	210
Sweden	80	230
Switzerland	75	220
Zurich/Geneva	80	240
Thailand	60	150
Bangkok	70	220
Turkey	40	130
Ankara/Izmir	50	220
Istanbul	50	230
Ukraine	50	120
Kiev	60	220
United Arab Emirates	80	250
United Kingdom	70	200
London	90	280

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Country / City	Day compensation (€)	Night compensation (€)
USA		
New York	80	170
San Francisco	100	260
Washington	85	230
Other countries	85	250
	70	200

VI. Per diems for business trips from abroad to Luxembourg

These per diems concern employees normally working abroad and travelling to Luxembourg on the occasion of a business trip.

The following amounts are applicable:

	Day compensation €	Night compensation €
Luxembourg	60	200
Kirchberg	60	220

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