DENMARK

PRIVATE LIMITED COMPANY (ApS)
CLIENT GUIDE 2026

Company formation, Danish taxation
and annual compliance

Professional company formation
and ongoing corporate administration

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Denmark ApS at a Glance

The anpartsselskab (ApS) is Denmark's standard private limited company. It is a separate legal entity with limited shareholder liability and can be established by one or more individuals or legal entities. Registration and ongoing corporate filings are administered through the Danish Business Authority (Erhvervsstyrelsen) and the Central Business Register (CVR).

Topic	Current legal / practical position
Owners	At least one owner. Both individuals and legal entities may establish and own an ApS.
Liability	Shareholders' liability is generally limited to the capital invested in the company.
Management	An ApS must have an executive management board (direktion) of one or more natural persons. A board of directors or supervisory board is optional for an ordinary ApS.
Registered office	A Danish registered address / municipality is recorded in the CVR and constitutional documents as applicable.
Minimum capital	DKK 20,000 minimum share capital.
Capital verification	The capital contribution must be verified by a bank, lawyer or accountant. Contributions in kind require an approved valuation report.
Official formation fee	DKK 670 for registration of an ApS with the Danish Business Authority in 2026.
Corporate income tax	22% of taxable corporate income.
VAT	25% standard VAT. VAT registration is generally required when taxable sales exceed DKK 50,000 annually.

Key Benefits for International Clients

- Low DKK 20,000 statutory minimum capital for a mainstream EU private company.
- 22% corporate income-tax rate.
- Denmark applies a real territorial principle to income attributable to foreign permanent establishments and foreign real estate: such income is generally excluded from Danish taxable income, subject to statutory exceptions.
- Qualifying dividends from subsidiary and group shares can be tax-exempt at corporate level.
- Gains on qualifying subsidiary and group shares are generally excluded from taxable income.
- 2026 R&D expenditure can qualify for a 114% deduction, subject to the statutory group-level cap.
- EU directives and Denmark's treaty network can provide substantial withholding-tax relief for qualifying cross-border structures.

Important 2026 Tax Position

Denmark has genuine territorial and participation exemptions - but not a blanket offshore 0% regime

An ordinary Danish ApS pays 22% corporate tax. However, income and expenses attributable to a foreign permanent establishment or foreign real estate are generally excluded from Danish taxable income under the territorial principle. Qualifying subsidiary/group dividends and gains can also be tax-exempt. Foreign customers alone do not make ordinary trading profit tax-free.

Ownership, Capital & Taxation

Topic	Current legal / practical position
Ownership	One or more owners; individuals and legal entities are permitted. The company must maintain an ownership register and register relevant legal and beneficial owners.
Legal owners	Persons or entities directly owning at least 5% of shares or voting rights are legal owners for public ownership-registration purposes.
Beneficial owners	Natural persons who ultimately own or control more than 25%, or exercise control by other means, are generally beneficial owners.
Management	At least an executive management board is mandatory. A board of directors is optional for an ApS.
Capital	Minimum DKK 20,000. Cash capital or qualifying non-cash assets may be contributed.
Annual report	An ApS must keep accounts and file an annual report with the Danish Business Authority.

Corporate Income Tax - 22%

The Danish Tax Agency's current legal guidance confirms a 22% corporate income-tax rate for Danish resident companies in 2026. The company's taxable income is calculated under Danish tax rules, with special regimes for groups, CFC income, transfer pricing and other cross-border matters.

Foreign branches and real estate: genuine territorial treatment

Denmark's Corporation Tax Act applies a territorial principle to foreign permanent establishments and foreign real estate. As a main rule, income and expenses attributable to those foreign permanent establishments or properties are not included in Danish taxable income. Important exceptions include international joint taxation, certain treaty situations, CFC-related rules, shipping/aviation and other statutory cases.

Participation Exemption

Qualifying dividends on subsidiary shares and group-company shares are excluded from taxable corporate income where the statutory requirements are met. Gains and losses on qualifying subsidiary and group shares are likewise generally excluded. Since 2025, qualifying tax-exempt unlisted portfolio-share dividends can also benefit from exemption under specific conditions. Ownership, beneficial ownership, anti-abuse and jurisdiction conditions must be reviewed.

Dividend Withholding

Danish companies generally withhold 27% when paying dividends. The final Danish corporate tax burden may be lower and refunds may be available. The Tax Agency confirms 0% withholding in qualifying cases for foreign parent/group companies protected by an EU directive or a double-tax treaty, and for certain qualifying tax-exempt portfolio shares. Anti-abuse and beneficial-owner rules are critical.

R&D - 114% Deduction in 2026

Qualifying research and development expenditure incurred in 2026 may be deducted at 114% under the current rules. The enhanced deduction is subject to a statutory ceiling calculated at group level. The percentage rises to 116% in 2027 and 120% from 2028.

Formation Process & Documents Required

1. Structure and Danish tax review 2. Company name and Danish registered address 3. Founder / management / UBO KYC 4. Prepare memorandum of association and articles 5. Subscribe and verify at least DKK 20,000 capital 6. Register electronically with the Danish Business Authority / CVR 7. Register legal and beneficial owners 8. Corporate tax / VAT / employer registrations 9. Bank account, bookkeeping and digital reporting setup

The official formation guidance requires a memorandum of association and articles of association. The capital contribution must be verified no later than 14 days after signing the formation document. A contribution in assets rather than cash requires a valuation report prepared by an approved auditor. Foreign corporate and personal documents may require appropriate certification and translation.

Official Capital & Government Fee

The minimum capital for an ApS is DKK 20,000. The Danish Business Authority's fee schedule, updated in February 2026, confirms an official DKK 670 registration fee for formation of an ApS, A/S or P/S. Bank, lawyer, accountant, valuation, translation and other third-party costs are separate. BRIS professional fees are quoted separately.

Documents Required from the Client

- Passport / acceptable ID for founders, directors and beneficial owners.
- Recent proof of residential address.
- For corporate founders: registry extract, constitutional documents, representatives and complete ownership chain.
- Proposed company name, Danish registered address and detailed activities.
- Ownership percentages, voting rights, DKK 20,000+ capital and management / signing arrangements.
- Expected countries, customers, suppliers, turnover and transaction profile.
- Source-of-funds and, where appropriate, source-of-wealth evidence.
- Certified / translated foreign documents where required.

Accounting, Annual Report & Audit

An ApS must maintain accounting records under the Danish Bookkeeping Act and prepare an annual report under the Financial Statements Act. The current Danish Business Authority guidance states that the annual report filing deadline is six months after the end of the financial year.

Small companies can opt out of statutory audit

A class B company can generally opt out of audit if it does not exceed two of these thresholds in two consecutive financial years: DKK 4 million balance sheet total, DKK 8 million net revenue and 12 full-time employees. Special rules apply, including to holding companies and certain risk sectors.

Annual Compliance Checklist

- Maintain registered office and current CVR particulars.
- Maintain ownership register and legal / beneficial-owner registrations.
- Keep compliant digital bookkeeping and supporting records.
- Prepare, approve and file annual report within the applicable six-month deadline.
- File corporate tax information; the normal deadline is six months after the end of the income year.
- Pay corporate advance tax according to the Danish Tax Agency schedule.
- File VAT, payroll and withholding reports where applicable.
- Document R&D, participation and territorial exemptions before claiming them.
- Review transfer pricing, CFC, treaty and audit requirements annually.

International Business & Tax Planning

Denmark is a mainstream EU jurisdiction with a 22% corporate tax rate, but it has several important exemptions that can materially change the effective tax result for international groups. In particular, Denmark's territorial rule for foreign permanent establishments and foreign real estate and its participation exemption for qualifying shares should be considered when designing a genuine cross-border structure.

Where can a genuine 0% Danish corporate-tax result arise?

1) Income attributable to a qualifying foreign permanent establishment or foreign real estate is generally outside the Danish corporate tax base under the territorial principle, subject to statutory exceptions. 2) Qualifying subsidiary/group dividends can be tax-exempt. 3) Gains on qualifying subsidiary/group shares are generally tax-exempt. These rules do not mean that ordinary foreign sales made by a Danish ApS are tax-free.

VAT & International Payments

Denmark's standard VAT rate is 25%, and VAT registration is generally required when taxable sales exceed DKK 50,000 annually. Certain supplies are exempt or zero-rated, and EU / international B2B transactions follow special place-of-supply and reporting rules. Dividend withholding should be reviewed before distribution because qualifying EU, treaty and portfolio-share cases can produce 0% withholding.

How BRIS Group Supports You

Structure & tax review - Assess ApS suitability, 22% tax, territorial treatment, participation exemption, R&D relief, VAT, withholding, EU directives and treaties.

Company formation - Coordinate foreign founder documents, Danish registered address, formation documents, capital verification and CVR registration.

KYC / UBO - Coordinate founder, management, legal-owner, beneficial-owner and source-of-funds / source-of-wealth due diligence.

Accounting & compliance - Coordinate bookkeeping, annual reports, corporate tax, VAT, payroll, withholding and audit support where required.

Banking - Prepare corporate and KYC documentation and coordinate Danish / international banking support where available.

Professional Fees & Official Sources

Professional fees are quoted separately

This guide is informational and is not a fee quotation. BRIS Group professional fees and third-party costs - including registered office, capital verification, banking, accounting, tax, VAT, audit, translations, licensing and other support - are quoted separately according to the required services.

Official sources reviewed for this 2026 guide: Danish Business Authority / Virksomhedsguiden / Virk - ApS formation, DKK 20,000 capital, DKK 670 registration fee, management, ownership / UBO and annual-report requirements; Danish Tax Agency (Skattestyrelsen) - 22% corporate tax, territorial principle, participation exemptions, dividend withholding, 25% VAT and 114% R&D deduction for 2026.

PREPARED BY BRIS GROUP

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Professional incorporation and corporate administration for international clients.