# Daily allowance of a business trip abroad

The minimum daily allowance for a business trip abroad is 40 euros.

The daily allowance for a business trip abroad in the rate of 75 euros for the first 15 days of the business trip, but no more than for 15 days in a calendar month and 40 euros for each subsequent day is not subject to taxation (clause 3 of subsection 1 of § 7 of the Business Trip Regulation).

**Example 1**
An employee is on a business trip abroad on 3 February. The business trip lasts one day, and the employee is paid the daily allowance of a business trip abroad in the amount of 75 euros.
The same employee is on a business trip abroad from 7 February until 22 February. The business trip lasts for 16 days, and the daily allowance of a business trip abroad is paid as follows:
75 euros per day for the period from 7 to 20 February (14 days)
40 euros per day for the period from 21 to 22 February (2 days).

**Example 2**
An employee is on a business trip abroad from 20 January until 27 January. The business trip lasts 8 days and the employee is paid the daily allowance of a business trip abroad in the amount of 75 euros.
The same employee is on a business trip abroad from 28 January until 12 February. The business trip lasts for 16 days, and the daily allowance of a business trip abroad is paid as follows:
75 euros per day for the period from 28 to 31 January (4 days)
75 euros per day for the period from 1 to 11 February (11 days)
40 euros per day for 12 February (1 day).

**Example 3**
An employee is on a business trip abroad from 4 March until 18 March. The business trip lasts 15 days and the employee is paid the daily allowance of a business trip abroad in the amount of 75 euros.
The next business trip of the same employee lasts for 18 days (from 28 March until 14 April) and the daily allowance of a business trip abroad is paid as follows:
40 euros per day for the period from 28 to 31 March (4 days)
75 euros per day for the period from 1 to 11 April (11 days)
40 euros per day for the period from 12 to 14 April (3 days).

**Example 4**
An employee is on a business trip abroad from 25 April until 8 July. The business trip lasts for 75 days and the daily allowance of a business trip abroad is paid to the employee as follows:
75 euros per day for the period from 25 to 30 April (6 days)
75 euros per day for the period from 1 to 9 May (9 days)
40 euros per day for the period from 10 May to 8 July (60 days).

According to subsection 4 of § 4 of the Business Trip Regulation, an employer **may** (but does not have to) reduce the daily allowance rate for a business trip abroad by up to 70 percent if free meals are provided to the person sent on a business trip during the stay at the business trip location. The possibility to reduce the daily allowance provided in the subsection 4 of § 4 of the Business Trip Regulation is not related to the taxation of daily allowance and it is, by its nature, an employment law provision which allows the employer to reduce the daily allowance up to 12 euros (40 x 70% = 28; 40 – 28 = 12) in case the employee is provided with catering.

When paying daily allowance above the limit, the part exceeding the limit must be declared and taxed in the same way as employment income (codes 10-13 of Annex 1 of form TSD).

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