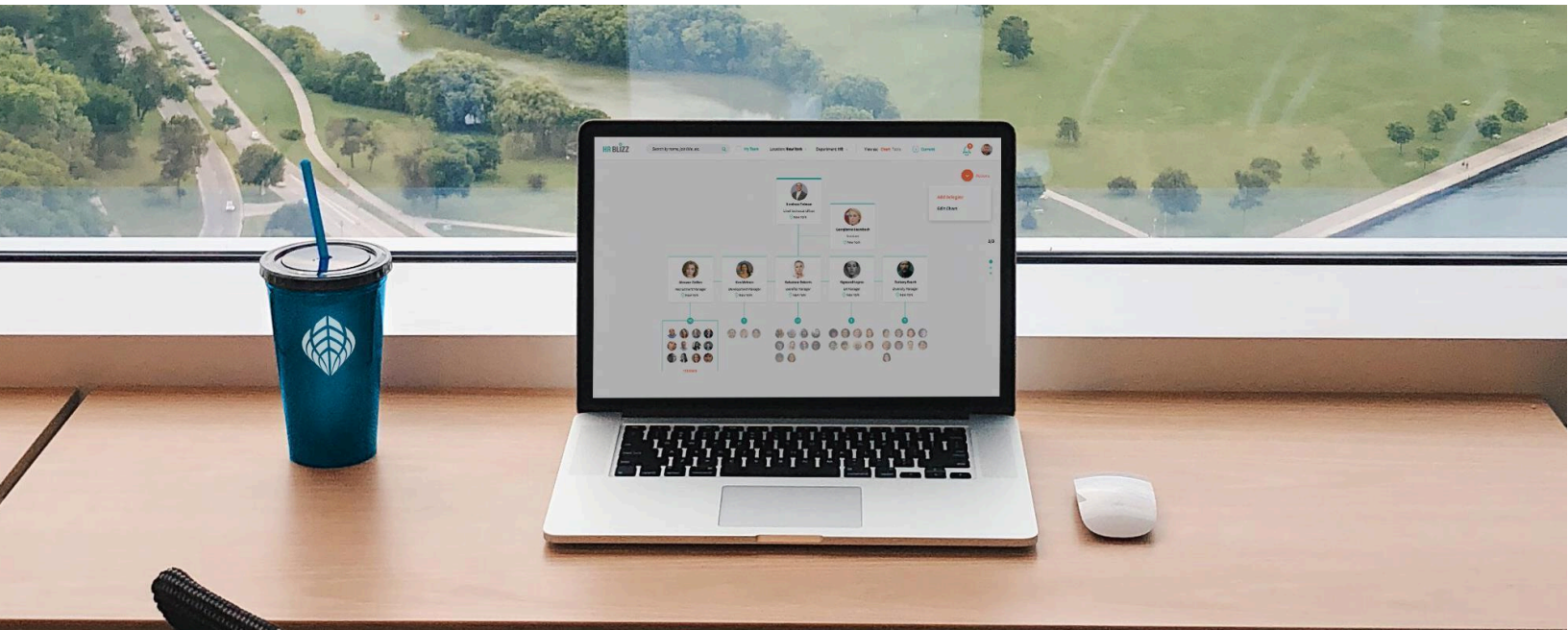




Simplifying Employment
Tasks Worldwide

Statutory Change Alert

Denmark – Changes in threshold amount for personal allowance, Expat & eligibility for AM-bidrag – 1st January 2026



DENMARK



Dec 15, 2025

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MERCANS

We help you achieve your global ambitions

Thank you for trusting Mercans to outsource your HR and Payroll functions. We propose HR consulting services, actionable solutions, and cost-effective global payroll processing tools to energize your human capital management in real-time and augment your performance. We are dedicated to becoming your business growth facilitator.



Global Payroll Solutions – Boost your HR brand and employee satisfaction

Rationalize your HR budgets, monitor your data, and optimize your global payroll tasks in real-time. Systematize processes and streamline HRM lifecycles with HR Blizz™, our unified SaaS platform, to ensure your employees are paid accurately and on time.



PEO/GEO Services – Easily hire, deploy and manage your workforce abroad

A reliable Professional Employer Organization (PEO), Mercans is your trusted employer of record to globally select, engage, and manage highly qualified personnel on your behalf, through integrated Global Employment Outsourcing (GEO).



Global Talent Acquisition – Quickly fill vacancies with only the best candidates

Mercans supports you in designing/deploying long-term HR strategies and processing full-cycle recruitment. Our ATS Suite Mesar™ and our hiring experts help to screen, select, attract the right candidates for your organization and populate your pipeline of prequalified talents.



BPO Services – Reclaim the focus on your core activities to expand your business

Concentrate on the essentials: outsource non-primary activities and your front- and back-office functions to Mercans. Save the time, money, and energy needed to refine the value chain engagement of your customers and suppliers and increase revenue.



HR Management SaaS – Access customizable cloud-based online platforms

Centralize your HR function on an all-in-one user-friendly and self-service platform. Combined with the expertise of our consultants, the Mesar SaaS offers a built-in applicant tracking system and easy-integration features to improve internal processes.



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Local Statutory Compliance – Forget the hassle of setting up branches abroad

Mercans seasoned HR advisory team are compliance experts specialized in local cultures, business protocols, and tax and legal specificities. They are committed to ensure quick go-to-market abroad and achieve a compliant global expansion, risk-free from A to Z.



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Mercans at a Glance

160+ Countries	20 Years of Success	1K+ Payroll and HR Specialists
22k+ Clients Worldwide	97% Client Retention Rate	1.5X Annual Revenue Growth
95k+ Largest Single Country Payroll	25M+ Pay Slips per Annum	0 Security Breaches

Number one for outsourced payroll services, we are endorsed by international authorities.



Mercans has the highest industry quality and IT security certificate certificate





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TAX RATE

Personal Allowance (tax free Income Threshold):

The basic personal tax allowance (tax-free income threshold) in Denmark is scheduled to increase from **DKK 51,600 (2025) to DKK 54,100 (2026)** for single taxpayers (this amount is doubled for married couples).

This change, effective from **January 1, 2026**, is an automatic annual adjustment mandated by the Personal Tax Act (§20 indexation) and confirmed by the Ministry of Taxation for 2026. The increase is in line with standard indexation, resulting in a higher tax-free portion of income for all individuals.

Labour Market Contribution (AM-bidrag))

- **Change:** Denmark's Labour Market Contribution (AM-bidrag) rule is changing.
- **Current Rule (Until 31 Dec 2025):** 8% AM-bidrag is applied to all taxable employment income, regardless of the employee's age (including minors).
- **New Rule (Effective 1 Jan 2026):** The 8% contribution is exempt for employees under 18 (until January 1st of the year they turn 18). The deduction will only apply once the employee is 18 years or older.
- **Payroll Action Required:** Update the payroll rule to include an age-based condition:



skip the AM-bidrag deduction for employees under 18 years of age.

Expat Tax Scheme Eligibility

- **Effective January 1, 2026**, the minimum gross monthly salary requirement for the 27% flat expat tax scheme is being lowered
- **Current Requirement (2025)**: DKK 78,000 per month.
- **New Requirement (Effective Jan 1, 2026)**: DKK 65,400 per month.
- **Impact**: This adjustment broadens eligibility for the scheme.

Please contact your Mercans' services delivery team for any additional information regarding the implications of the above change.



They already trust Mercans





What Makes Mercans your HR and Payroll **Partner of Choice?**

We Simplify Employment Tasks Worldwide **Everywhere for Everyone**

We are a borderless people engagement enabler, driven by technology and innovation. We deliver bespoke human capital management services and global payroll solutions to empower businesses across 110+ countries regardless of their organizations' size and their industry. We pride ourselves on being global people experts with a striking local presence, committed to making your teams happy, and ensuring the consistent and sustainable growth of your organization.

Local Presence. Regional Strategy. Global Success

Supported by 500+ payroll and HR specialists with in-depth local knowledge, Mercans operate globally. Our pioneering human resources consulting services and trailblazing SaaS platforms are already satisfying 5,000+ international clients, ensuring timely measurable results and bottom-line savings. Thanks to success-oriented teams striving for excellence and taking care of our clients' tasks within budget, we have gained the trust of major multinational companies.

A Revolutionary Service Delivery System

Say goodbye to third-party service providers, offshore call centers, fragmented data, and endless chains of sub-contracts.

Mercans cloud-based SaaS Products, HR Blizz™ & Mesaar™, combine the performance of proprietary technologies with a human touch. Cost-effective, they are fully-compliant self-service tools, packed with smart built-in features for your peace of mind. All your data are integrated into single interfaces accessible from everywhere and on any device.

Trailblazing Cloud-Based SaaS Products



HR Blizz & Mesar, our Software-as-a-Service platforms, both propose a preconfigured API integration capability with all the major global HRMS platforms, including SuccessFactors, Workday, Oracle HCM, and MS Dynamics. All Mercans systems and processes are GDPR compliant, ISO 9001, 20000, 27001 certified, and SOC 1 and SOC 2 audited. A registered Finpro expert, Mercans is also a member of the Global Payroll Association and the Global Payroll Management Institute.



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