



MOVING TO GREENLAND – A GUIDE TO NEW RESIDENTS

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1. INTRODUCTION

Purpose	This guide is intended as a general introduction to the Greenlandic tax rules for individuals who move to Greenland and thereby become subject to taxation in Greenland. For more detailed information, please refer to the relevant authorities mentioned later in this guide.
Tax at source	The Greenlandic income tax system is based on a taxation at source system, where a preliminary tax is withheld from the employee's salary by the employer. The final tax payment is calculated through a final tax assessment in September of the year following the income year.
Legal basis	Income tax is administered by the Greenland Tax Agency (Skattestyrelsen) in accordance with the provisions of Inatsisartut Act No. 11 of 2 November 2006 on the administration of taxes, and Act No. 12 of 2 November 2006 on income tax, as amended, along with associated executive orders and the agreement of 18 October 1979, as amended, between Denmark and Greenland for the avoidance of double taxation, the Faroese-Greenlandic double taxation agreement of 20 August 2000, the Icelandic-Greenlandic double taxation agreement of 5 July 2002, and the Norwegian-Greenlandic double taxation agreement of 4 August 2005.

2. TAX LIABILITY

Full and limited tax liability	Entities liable to taxation in Greenland include both natural and legal persons, i.e. individuals and companies, etc. Taxable persons are divided into two groups: those with full tax liability and those with limited tax liability. a. Full tax liability
Residence or minimum 6 months' stay	Full tax liability applies to individuals who have a residence in Greenland or who stay in Greenland for at least 6 months, with only short interruptions such as holidays. Full tax liability also applies to companies and similar entities that are registered as domiciled in Greenland or have their place of management here.
All income is included	Full tax liability means that the individual or entity is taxed on all income, regardless of whether it originates in Greenland or abroad (except for income and expenses related to real estate located outside of Greenland – see section 3c), according to the so-called "global income principle". For details on income under full tax liability, see section 3: "<i>Taxable income and deductions</i>."

b. Limited tax liability

No residence and stay under 6 months Limited tax liability applies to individuals and entities that, without meeting the conditions for full tax liability, earn certain types of income in Greenland.

Only specific incomes are included A person with limited tax liability is only required to include the types of income that form the basis for the tax obligation—for example, salary for personal work performed in Greenland when the individual resides in the country for less than six months.

Furthermore, the following types of income received after the end of the tax liability period are also subject to limited tax liability:
salary during the notice period, one-time payments, collective agreement adjustments, compensation for wrongful dismissal, and similar payments.

Pay during stay 14 days or longer Individuals who come to Greenland and work for an employer for less than six months will be subject to limited tax liability in Greenland.

For individuals resident in a country with which Greenland has not entered into a double taxation agreement, no limited tax liability arises if the stay does not exceed 14 days, and the individual remains employed and paid by their usual employer, which is not resident in Greenland and does not have a permanent establishment in Greenland.

This does not apply in cases of hired-out labour.

For individuals resident in countries with which Greenland has entered into a double taxation agreement, the following rules apply:
If a person remains employed by an employer in Denmark, the Faroe Islands, Iceland or Norway, and the employer, for example, sends the person to work on a construction, assembly, or installation project in Greenland, and the person stays in Greenland for less than 183 days within a 12-month period, then no taxation in Greenland will occur, as Greenland does not have the right to tax under the relevant double taxation agreements.

This does not apply in cases of hired-out labour.

If the stay exceeds 183 days, the person will become fully tax liable to Greenland, and Greenland may tax the full salary from day one.

Hiring in /leasing of foreign labour Individuals employed by a foreign employer and hired out to a company or similar entity in Greenland are subject to limited tax liability in Greenland from the first day in Greenland.
The Greenlandic company or entity hiring foreign workers is, for tax purposes, considered to be the actual employer.

If the foreign employer is based in a country that has a reciprocal agreement with the Government of Greenland to withhold tax at source on each other's behalf, the foreign company is still regarded as the actual employer. Currently, only Denmark has such a reciprocal agreement with the Government of Greenland.

Employees of Danish temp agencies (e.g., nurses, healthcare assistants, midwives, doctors, etc.) who are hired out to the Greenlandic healthcare system will be subject to limited tax liability from the first day in Greenland, as these temp workers are under the authority of the healthcare system, which holds the right to manage and assign their work (right of instruction).

Individuals residing in Denmark who are seconded to Greenland by their regular **public-sector employer** and stay in Greenland for fewer than 60 days will not be taxed in Greenland, but only in Denmark, as Greenland does not have the right to tax under the double taxation agreement.

If the stay exceeds 60 days, the person will be required to pay tax to Greenland for the entire period — starting from day 1 (combined Danish/Greenlandic taxation).

Gross taxation scheme

Gross tax is paid by individuals who perform work within the mineral resource sector and on major construction projects located outside existing towns and settlements, as well as by individuals working on airport construction projects on behalf of the Government of Greenland. Under the gross taxation scheme, these employees are subject to final taxation at a flat rate of 35% on their gross income, without deductions.

The gross tax is calculated based on the income received in the employment relationship, including all benefits in kind such as free board, lodging, telephone, etc. However, income does not include employer-administered contributions to ATP (Labour Market Supplementary Pension) or to pension schemes with Greenlandic pension companies and financial institutions, in accordance with applicable regulations.

This revised personal taxation applies to individuals who have not been tax liable to a Greenlandic municipality during the six preceding months, and who, during their employment, carry out work related to:

- Design, construction, civil engineering, installation and assembly work located outside existing towns and settlements.
- Airport construction projects on behalf of the Government of Greenland.
- Preliminary investigations, exploration or exploitation of mineral resources.

The scheme does not apply to employees working on exploitation of ice and water for export, nor to employees who simultaneously receive A-income that does not fall under the scheme.

Other income Limited tax liability may arise from the receipt of income other than wages for personal services rendered in an employment relationship, such as:

- Business activity through a permanent establishment in Greenland
- Shipping and aviation
- Royalties
- Leasing out and ownership of real property
- Income as a musician

The standard deduction for persons subject to limited tax liability is DKK 1,000 annually.

c. Commencement of tax liability

Tax liability exists during the period in which the conditions for tax liability are fulfilled.

Commencement from the start of the stay If a person acquires residence in Greenland without simultaneously taking up residence there, full tax liability commences only from the beginning of the actual stay.

3. TAXABLE INCOME AND DEDUCTIONS

As mentioned under section 2a, persons with full tax liability must include all income, regardless of whether it originates in Greenland or abroad.

a. Taxable income

Both active and passive income acquisition is subject to taxation.

Examples of taxable income Taxable income includes, for example: salary income, fringe benefits such as free meals, free car, and free lodging, including the value of housing, pre-vacancy and vacancy housing when the accommodation is made available to the employee free of charge or at a reduced cost, income from self-employment, public pensions, civil servant pensions, and payouts from pensions where tax deductions or exemptions were granted for the contributions. It also includes interest income from Greenlandic, Danish, and foreign financial institutions and securities, as well as dividends from Danish and foreign shares and units. When calculating taxable income, interest accrued on certain pension savings schemes is excluded.

b. Tax-exempt income

Examples of tax-exempt income Tax-exempt income includes, among other things: profits from the sale of private belongings, inheritance, the value of housing in one's own property, the value of personal consumption of self-caught game/fish, per diems and travel allowances for stays outside the place of residence in Greenland if granted under the rules applicable to civil servants in Greenland, anniversary bonuses, relocation allowances and free travel if provided according to the rules for civil servants in Greenland, employer-paid travel, and prizes and winnings from premium bonds, lotteries, sports betting, etc., on which tax has been paid to Greenland or Denmark...

Tax-exemption for B-income only for fully tax liability

A specifically tax-exempt amount that applies only to fully tax liable individuals is the tax-exempt amount for B-income.

The tax-exempt amount for B-income is determined annually by the Parliament of Greenland (Inatsisartut).

c. Deductions

Operating Expenses and Depreciation

Deductible expenses include, among others, operating expenses—i.e. costs incurred to acquire, secure, and maintain income, including maintenance and tax depreciation on depreciable assets.

Special rules apply to interest expenses in the year of relocation to Greenland. Likewise, special rules apply to losses from participation in Danish limited partnerships or private limited companies, as well as profits and losses from financial contracts.

Examples of other deductible expenses

Furthermore, when calculating taxable income, it is possible to deduct interest expenses and ongoing commissions on debt; premiums for pension schemes with periodic payments that lapse upon death, established in a company domiciled in Greenland; annuity pension insurance with payments over at least 10 years, established in a life or pension insurance company domiciled in Greenland; savings for pension purposes in a financial institution domiciled in Greenland; as well as negative taxable income in Greenland from the preceding five years.

Examples of non-deductible expenses

Non-deductible expenses include, among others, personal expenses such as costs for food, rent, and maintaining two households, unemployment insurance contributions, early retirement contributions, as well as payments to pension schemes in foreign—including Danish and Faroese—pension funds, insurance and pension companies, and financial institutions.

Real estate outside Greenland

Income and expenses, including interest expenses on loans secured by mortgages on real estate, or interest expenses on loans used for the acquisition or operation of the property, shall not be included in the income statement when the real estate is located outside of Greenland.

Standard deductions only for individuals with full tax liability

Instead of deducting actual expenses, fully tax liable individuals may choose to deduct a standard allowance, the amount of which is determined annually by the Inatsisartut (Greenlandic Parliament).

It is not permitted to deduct both the actual expenses and the standard allowance—only one or the other may be used.

Employment deductions

Fully tax liable individuals are granted an employment deduction of 17.5% of their taxable employment income exceeding the personal and standard allowance, up to a maximum of DKK 15,750 annually (2025 level).

If the employment income exceeds DKK 250,000 (2025 level), the employment deduction is reduced by 6.3% of the employment income exceeding this threshold.

d. The taxable income

Net income

The total of the taxable incomes, reduced by the deductions, constitutes the taxable income – the net income.

4. PENSIONS

a. Obligatory pension scheme

As a newcomer to Greenland, it is especially important to be aware of two key aspects regarding pension.

In Greenland, there is a statutory obligation to contribute to a pension scheme if:

- you are fully tax liable to Greenland
- you are 18 years of age or older
- you have a total annual income exceeding DKK 125,000

This statutory pension obligation is referred to as the *obligatory pension* and is regulated by Inatsisartut Act no. 21 of 28 November 2016 on obligatory Pension Schemes.

The obligation to contribute to your own pension scheme may cease 4 years before the income year in which you reach retirement age.

b. Deduction for pension contributions

The second important point to be aware of is that in Greenland, certain pension contributions are deductible from taxable income. However, this only applies if the contributions are made to pension schemes based in Greenland.

This means that if, for example, you have a pension scheme based in Denmark and wish to continue contributing to it after moving to Greenland, or if you are employed under a collective agreement that requires pension contributions to be paid into a specific pension fund in Denmark, you will not be entitled to a deduction or exemption for these contributions. On the other hand, as a general rule, you will also not be taxed on the pension payouts.

c. Supplemental information

The above and much more can be found on the Greenland Tax Agency's website www.aka.gl.

If the above gives rise to further questions or comments, you are always welcome to contact the Tax Agency's pension division via their main mailbox: pension@nanoq.gl

5. TAXES AND THEIR COLLECTION

Scale income Taxes are calculated based on the scale income, which is the taxable income reduced by the personal allowance.

The personal allowance is determined annually by the Inatsisartut.

a. Taxation

National tax, special national tax, municipal tax, joint municipal tax Apart from gross tax, dividend tax, royalty tax, and corporate tax, four types of taxes exist: national tax, special national tax, municipal tax, and joint municipal tax.

Taxable persons who have a municipality as their tax municipality pay national tax, municipal tax, and joint municipal tax, but not special national tax.

Taxable persons who have the Tax Agency (Skattestyrelsen) as their tax municipality pay national tax and special national tax, but not municipal tax or joint municipal tax.

Tax municipality The tax municipality is the municipality in which the taxable person had their residence or stay as of 1 September in the year prior to the income year. If, at that time, the person resided or stayed in an area in Greenland outside municipal jurisdiction, then the Tax Agency (Skattestyrelsen) is considered the tax municipality.

Areas outside the municipal jurisdiction include, for example: Danmarkshavn, Daneborg, Mesters Vig, Station Nord, and Pituffik Space Base.

If tax liability arises after 1 September in the year prior to the income year, the tax municipality is the first Greenlandic municipality where the person establishes residence or stay.

If the first place of residence/stay is an area outside municipal jurisdiction, then the Tax Agency is the tax municipality.

The Tax Agency is also considered the tax municipality for persons who have not been tax liable in a Greenlandic municipality in the six preceding months, and who, as part of an employment relationship, perform work in connection with design, construction, infrastructure, or installation projects located outside of established towns and settlements, or are employed in:

- A company with a prospecting or exploration license under the Mineral Resources Act
- A company with a license for exploitation under the Mineral Resources Act
- A company with a license to utilize ice or water for export purposes
- A company working on airport construction on behalf of the Government of Greenland

b. Advance tax registration

Since the Greenlandic tax system is, as mentioned, a tax-at-source system, preliminary taxes are collected during the income year. It is therefore necessary to determine the basis for these taxes at the beginning of the income year, which is done through the advance tax registration.

c. Advance tax registration for new residents

Advance tax registration for fully tax liable only

Advance tax registration is normally only carried out for individuals with full tax liability. However, newcomers to Greenland may be advance tax registered as fully tax liable even before the conditions for full tax liability are fulfilled, provided that the taxpayer, with documentation from the employer, can demonstrate that the employment is either ongoing or fixed for more than 6 months, and provided that the taxpayer relocating from Denmark applies for exemption from Danish tax at source until the conditions for full tax liability are met — that is, residence in Greenland or a stay of at least 6 months in Greenland, with interruptions only for holidays or similar. Spouses must be registered separately.

Application for exemption from Danish tax at source

A specific application form titled "Ansøgning om fritagelse for dansk skattetræk efter kildeskatteloven – Grønland" (Form 01.005) is normally sent to the taxpayer along with the advance tax registration materials.

Form 01.005 can also be downloaded from www.skat.dk under the "Individual / Forms" section. The application must be returned together with the Greenlandic advance tax registration form and must be completed in Section A by the employer and in Section B by the taxpayer (the applicant) before submission to the Greenland Tax Agency.

The form 01.005 is then sent by the Greenland tax authority to the Danish Tax Agency (SKAT), which issues a tax exemption to the employer.

If the employer is registered in Greenland, form 01.005 does not need to be completed.

Based on the information received, the Greenland Tax Agency issues tax cards and/or tax certificates, which are sent to the taxpayer. In some cases, the tax card will be sent directly to the employer.

d. A- og B-skatter.

Tax card
A-tax

The taxpayers must submit their primary tax card, which specifies their deductions and withholding percentage (the sum of national tax, municipal tax, and inter-municipal tax, or national tax and special national tax), to their employer, who will then, at the time of salary payment, calculate the A-tax based on the tax card and withhold the A-tax from the salary.

Secondary tax card
(bikort)

If the taxpayer receives A-income from sources other than their primary employer, the secondary tax card — which does not include deductions but only the withholding percentage — must be presented to the employer.

No tax card	If the tax card has not been submitted or presented, the employer must withhold A-tax at a rate of 45% of the gross salary.
B-tax	If the taxpayer has B-income, this will be offset against the total deductions in the advance tax registration. If the B-income exceeds the deductions, B-tax must be paid. B-tax is collected via PBS and paid in 12 instalments to the Greenland Tax Agency (Skattestyrelsen).

e. Tax return

Obligation to submit a tax return no later than 1 May	After the end of the income year, each taxpayer must submit a tax return to the Tax Agency, regardless of whether they have received a pre-printed tax return form or not. The deadline for submission is 1 May in the year following the income year.
Pre-printed tax return	If the taxpayer receives a pre-printed tax return that includes all income and expenses, no further action is required.

If there are changes or additions to the pre-printed tax return, corrections must be made, and the signed tax return must be submitted to the tax office (see below), or submitted via the Tax Agency's online self-service system at www.aka.gl or using MitID via the self-service portal at www.sullissivik.gl. Based on the Tax Agency's review of the tax return, the taxable income is assessed, and the taxpayer will later receive a final tax assessment from the Tax Agency.

f. Final tax settlement

Slutskat	Based on the assessed taxable income, the tax payable by the taxpayer – the final tax – is calculated. The final tax is reduced by the advance taxes paid during the income year. If too much tax has been paid, the taxpayer will receive a refund of the overpaid amount. If too little has been paid, the taxpayer must pay the remaining tax either via PBS or by having the outstanding amount included in the advance tax registration for the following income year. Information about this will appear in the final tax settlement which is issued at the end of August in the year following the income year.
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g. Further information

Contact to the Tax Agency

Further information can be found on the Greenland Tax Agency's website, www.aka.gl, and you are always welcome to contact one of the tax offices:

Greenland Tax Agency, Ilulissat
Kaaleeraq Poulsen-ip Aqq. 5A, P.O. Box 1022, 3952 Ilulissat
Tel.: +299 34 65 10, Fax: +299 32 20 42, E-mail: tax@nanoq.gl

Greenland Tax Agency, Nuuk
Intaleeqqap Aqqutaa no. 1, P.O. Box 1605, 3900 Nuuk
Tel.: +299 34 65 10, Fax: +299 32 20 42, E-mail: tax@nanoq.gl

Greenland Tax Agency, Qaqortoq
Havnevej B-1338, P.O. Box 521, 3920 Qaqortoq
Tel.: +299 34 65 10, Fax: +299 32 20 42, E-mail: tax@nanoq.gl

Greenland Tax Agency, Sisimiut
Deichmann-ip Aqqutaa no. 1, P.O. Box 3560, 3911 Sisimiut
Tel.: +299 34 65 10, Fax: +299 32 20 42, E-mail: tax@nanoq.gl

Greenland Tax Agency, Maniitsoq
Narsannguaq no. 1, P.O. Box 69, 3912 Maniitsoq
Tel.: +299 34 60 20, E-mail: tax@nanoq.gl

You may also contact the Greenland Representation, Tax Agency
Strandgade 91, 3rd floor, P.O. Box 1915, 1023 Copenhagen K, Denmark
Tel.: +45 32 83 38 00

Example of tax calculation

Income tax for fully tax liable individuals is calculated as follows:

Sum of B-income		Sum of A-income	
- Free of tax B-income *			
= Net B-income	-> -> .> -> ->	+B-indkomst	
		- Standard deductions *	
		= Taxable income	
		- Personal deduction *	
		= Scale income	

Deductions for the 2025 income year

- *Personal deductions DKK 60.000.
- * Standard deductions DKK 10.000.
- *Free of tax B-income DKK 5.000.

These deductions are calculated proportionally based on the number of days subject to tax liability.

The income tax is calculated using the total applicable tax rate on the scale income (scale income rounded down to the nearest amount divisible by 100 DKK).

The employment deduction is calculated separately.

Employment deduction (17.5% of the income base after deduction of the personal and standard deduction (70,000 DKK at 2025 level), but with a maximum of 15,750 DKK (2025 level)).

Tapering (6.3% of the portion of the income base that exceeds 250,000 DKK in 2025).

= Total employment deduction

Disbursed value of employment deduction (deduction * total tax rate)

The income base for the employment deduction consists of A-income and B-income, including dividends and contributions eligible for deduction or exemption in relation to pension schemes, but excluding public assistance, educational grants, old-age pension, and civil servant pensions, etc., from A- and B-income.

Tax rates the income year for 2025.

Municipality	%
Kommune Kujalleq	43
Kommuneqarfik Sermersooq	42
Qeqqata Kommunia	42
Kommune Qeqertalik	42
Avannaata Kommunia	44
Tax Agency (areas outside municipal regions)	36