

*This guide has been prepared by an independent third-party law firm. The guide is effective as of October 2025 and will not be regularly revised. This guide does not provide tax advice. Instead, Rover encourages you to seek tax advice from a qualified professional to learn about your tax obligations.*

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## **NORWAY – TAX CONSIDERATIONS FOR PET CARE SERVICE PROVIDERS**

This guide provides an overview of the relevant income tax regulations and requirements for private individuals providing pet care services in Norway. Please note that the information in this guide is general and not exhaustive, and it is not intended to constitute legal advice. Even small variations in the way the activity is carried out can affect the tax treatment. Compliance, filing, and payment of taxes is your responsibility. If you are uncertain about your specific tax obligations, you should seek guidance from a qualified tax professional or directly from the Norwegian Tax Administration. Tax legislation and administrative practice may change, so it is essential to verify that the rules and procedures described here remain up to date.

Please note that as of 2026, digital platforms operating in Norway are required, under rules introduced like the EU DAC7 Directive, to report income earned by their users to the Norwegian Tax Administration. This means that if there is a discrepancy between the income reported by the platform and the income you declare in your annual tax return, you may be contacted by the tax authorities and asked to provide further information.

**Norwegian Tax Authority Details:** For further information, please visit [www.skatteetaten.no](https://www.skatteetaten.no). Domestic calls: 800 80 000. Calling from abroad: +47 22 07 70 00.

### **1. Who Is Taxable – tax residency – worldwide income principle**

The Norwegian tax year runs from 1 January to 31 December, i.e. the calendar year. Physical persons resident in Norway will be taxable on their world-wide income, including income from pet care services or similar insofar as the income is not subject to special exemption provisions under the Norwegian General Tax Act. Under Norwegian domestic tax law individuals are treated as resident in Norway if they stay in Norway for 183 days in any 12-month period or 270 days in any 36-month period.

### **2. Economic or Non-Economic Activity**

Norwegian tax law distinguishes between non-economic activity (hobby or occasional side income) and economic activity (business). This distinction is important both for tax treatment and for reporting obligations.

To decide whether your activity is a business, the tax administration look at whether the work is carried out at your own expense and risk, whether it has a certain scope and level of activity, whether it is likely to generate a profit over time, and whether it is meant to continue over time. If the work is modest, sporadic, and not suitable for generating a profit over time, it is normally treated as hobby or side income. If it is more regular and profit-oriented, it is treated as a business.

Is my activity economic? The key questions are whether the activity:

- Is carried out at your own expense and risk;
- Has a certain scope or level of activity,
- Is likely to generate profit over time, and
- Is intended to continue over time.

If your pet care services checks all of the above boxes, it may be classified as a business activity and subject to specific tax-rules i.e. taxation from the first krone.

At the date of issuance of this document, the rate on general income is 22%<sup>1</sup>, in addition business service providers must pay national insurance contribution of 10.9% (Norw. "trygdeavgift"). Bracket tax (Norw. "trinnskatt") will also apply, depending on the level of personal income. Altogether, the marginal tax rate can reach 50.6%.

Unlike hobby or side income, business income allows for the deduction of all relevant and necessary costs. This may include food, equipment, transport, advertising, insurance, and other expenses directly connected to the business. Losses from the business can be offset against other taxable income, reducing your overall tax burden.

### **3. Income Tax**

#### **3.1 Main rule and starting point**

Under Norwegian tax law, all income is, as a general principle, subject to taxation. Exemptions apply only where expressly provided in the General Tax Act, either for specific categories of income or for amounts below statutory thresholds. This also applies for income from pet care services.

#### **3.2 Tax rates (as of 2025 income year)**

Norway has adopted a dual income tax system whereby all taxable income is subject to a flat income tax at 22%<sup>2</sup>. This is referred to as tax on ordinary income. It applies to both corporate and individual taxpayers.

22% ordinary income tax is levied on a net basis and applies to all categories of income. Costs which are incurred to generate taxable income are deductible in the basis for ordinary income tax. For personal taxpayers, certain costs incurred in relation to employment income are included in a standardized deduction (the minimum deduction, Norw. "minstefradrag"), for the income year 2025 set at 46 % of wage income with a minimum of NOK 40,000 and a maximum of NOK 118,800.

For individuals, the ordinary income is complemented with a progressive tax on employment income and business income, a progressive bracket tax (Norw. "trinnskatt").<sup>3</sup>

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<sup>1</sup> 18.5% in Troms and Finnmark

<sup>2</sup> For certain areas in Northern Norway, including Finnmark and several municipalities in Troms, the tax rate on ordinary income for individuals is reduced to 18.5%.

<sup>3</sup> • Level 1: 1.7 % for income in excess of NOK 217,400

- Level 2: 4.0 % for income in excess of NOK 306,050
- Level 3: 13.7 % for income in excess of NOK 697,150
- Level 4: 16.7 % for income in excess of NOK 942,400
- Level 5: 17.7 % for income in excess of NOK 1,410,750

The marginal income tax rate is 47.4%.

In addition, individuals are subject to a gross basis social security contribution on employment income at 7.7%.<sup>4</sup>

### **3.3 Exemption for income below specified thresholds**

When you provide pet care services in or connected to the pet owner's home, you may earn up to NOK 6,000 per household during a calendar year without tax liability. If the total amount received from one household exceeds NOK 6,000, the entire amount becomes taxable.

The NOK 6,000 exemption applies separately for each household. This means you may receive up to NOK 6,000 from several different households without the income being taxable. If, however, your services reach a certain level of continuity and professionalism, the activity may be regarded as a business, in which case the income is taxable from the first krone, even if it does not exceed NOK 6,000 per household (see section 2 above).

When pet care services are carried out in the service provider's own home or at another location that is not the pet owner's residence or immediate surroundings, the NOK 6,000 exemption for small household jobs does not apply. In such cases, another exemption applies: if you earn less than NOK 2,000 from one pet owner, the amount is not considered taxable income. If this limit is exceeded, the entire amount becomes taxable.

### **3.4 Income Tax Return**

If you are a pet care service provider and your activity is not considered a business and not covered by the exemptions above, you must report the income as "Other income" in your annual tax return and keep documentation of your payments.

If your activity qualifies as a business, you must file a tax return with a business specification and pay advance tax.

### **3.5 Illustrative Examples**

All examples are based on the tax rates for the 2025 income year.

#### **Example 1: Individual with full-time job with an annual salary of NOK 500,000 + NOK 30,000 taxable income from pet care services**

##### Step 1: General income tax

- The NOK 30,000 is added to other taxable income. Since the person already earns well above the tax-free allowance (Norw. "frikortgrense") of NOK 100,000, the entire NOK 30,000 is fully taxable.
- At 22%, this equals NOK 6,600 in additional tax on general income.

##### Step 2: Social security contributions

- The NOK 30,000 counts as personal income. At 7.7%, this is NOK 2,310.

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<sup>4</sup> No contributions are levied if annual personal income remains below NOK 99,650 (income year 2025).

### Step 3: Bracket tax

- Since the base salary of NOK 500,000 already places the individual into the 4% bracket (above NOK 306,050), the extra NOK 30,000 is taxed entirely at 4%.
- Bracket tax: NOK 1,200.

### Total additional tax burden from pet care services

- General income tax: NOK 6,600
- Social security contributions: NOK 2,310
- Bracket tax: NOK 1,200
- Total = NOK 10,110

Effective marginal tax on this side income: about 33.7%.

## **Example 2: Student with NOK 30,000 income from pet care services and no other earnings**

### Step 1: General income tax

- Since the exemption card limit for 2025 is NOK 100,000, the entire NOK 30,000 falls under the tax-free allowance.
- No tax is due on general income.

### Step 2: Social security contributions

- Social security contributions are levied only if personal income exceeds NOK 99,650. Since NOK 30,000 is below this threshold, no contributions are due.

### Step 3: Bracket tax

- The first step in the progressive system starts at NOK 217,400. With only NOK 30,000 in income, no bracket tax is due.

### Total tax burden

- Zero tax is payable on the NOK 30,000.

## **Example 3: Individual with NOK 300,000 in net pet care service-business income (profit)**

### Step 1: General income tax

- As the pet care services in this example constitutes economic activity, it is considered a business. Therefore, the full income earned for the pet care service would be subject to the 22% rate on general income.
- 22% of 300,000 = NOK 66,000

### Step 2: Social security contributions

- For businesses, the social security contribution is 10.9%.
- 10.9% of 300,000 = NOK 32,700

### Step 3: Bracket tax

- Bracket tax will also apply, depending on the level of personal income.
- Personal income basis = NOK 300,000

- NOK 217,400 – 300,000 taxed at 1.7% = (NOK 82,600 × 1.7%) = NOK 1,404
- Higher brackets not reached.
- Bracket tax total = NOK 1,404

#### Total tax burden

- General income tax: NOK 66,000
- Social security contributions: NOK 32,700
- Bracket tax: NOK 1,404
- Total = NOK 100,104

Effective tax rate: about 33.4% on the profit.

Total = NOK 173,761

## **4. Value Added Tax (VAT)**

A non-economic activity is, as a general rule, never subject to VAT.

A person carrying out a business activity must register with the Norwegian Company Register. For income year 2025, if the turnover from the business exceeds NOK 50,000 during a twelve-month period, registration in the VAT Register is required. In that case, 25% VAT must be added to the price of the pet care services.

### **4.1 VAT registration**

You cannot add VAT on your sales until you have registered the enterprise in the VAT Register. The VAT registration takes place via Norwegian Tax Administration's website, see [link](#).

Note that you are not assigned a separate VAT number. To show that your business is registered in the VAT Register, the enterprise's business documents are endorsed with the letters "MVA" (VAT) after the enterprise's organisation number.

### **4.2 VAT reporting and payment**

Once your business has been registered in the VAT Register, you must submit tax returns for VAT (Tax return for VAT) six times a year. The tax return for VAT is a report of taxable sales and purchases made during the period. Reporting can be done directly through most accounting systems or through the Tax Administration's manual systems.

The return must be submitted, and outstanding VAT must be paid within one month and ten days after the end of each period. The periods are as follows:

1st period January/February - 10 April

2nd period March/April - 10 June

3rd period May/June- 31 August

4th period July/August - 10 October

5th period September/October - 10 December

6th period November/December - 10 February

The tax return for VAT must be submitted even if there were no sales during the period concerned.

When you have been registered for VAT for at least a year, you can apply to submit tax returns for VAT annually (annual tax return for VAT) if your turnover is less than NOK 1 million, see [link](#).

The submission and payment deadline for the annual tax return for VAT is the 10 March in the year after the income year. If you apply to submit annual tax returns for VAT, the deadline is 1 February in the income year. If you submit annual VAT returns but would prefer to submit one return per period (ref. above), you must submit an application to do so to the tax office by 1 December in order for the new arrangement to take effect in the following year.

#### **4.3 Your pricing towards customers should be VAT inclusive**

When prices are quoted to consumers, they must always be stated inclusive of VAT.

For sales to other businesses (B2B), it is common practice to state prices exclusive of VAT, provided it is clearly indicated that VAT will be added.

If you are supplying services subject to Norwegian VAT at 25%, and the gross price has been agreed, the VAT amount can be calculated as follows:

$$\text{VAT amount} = \text{Gross Price} \times (25/125)$$

#### **Example:**

- Total price: NOK 500, VAT 25%
- VAT portion of the total price:  $500 \times (25/125) = 100$
- Net price (excl. VAT):  $\text{NOK } 500 - \text{NOK } 100 = \text{NOK } 400$

#### **4.4 Can I reclaim VAT?**

After your enterprise has been registered in the VAT Register, you can reclaim VAT on goods and services which are purchased for your enterprise (input VAT). In the tax return for VAT, input VAT is offset against output VAT (VAT on what you sell). You can now see whether you must pay VAT or whether you can reclaim VAT for the period concerned.

You can only claim VAT refund on purchases where the seller is registered in the VAT register and where the sales document contains the seller's organisation number and the letters MVA.

### **5. Bookkeeping**

If you provide pet care services purely as a hobby or occasional side activity, you are not required to keep accounts under the Norwegian Bookkeeping Act. However, you should maintain an overview of your income and keep receipts, bank statements or other documentation in case the Tax Administration asks for proof.

If your activity goes beyond hobby but does not qualify as a business (for example, you

occasionally provide services for payment, but the scope is too small or irregular to be considered business), the income is treated as other personal income (wage-like). In this case, you still do not have bookkeeping obligations, but you must declare the income in your annual tax return. No deductions are allowed, but you should keep sufficient documentation of the income received.

If your activity qualifies as a business, you are subject to full bookkeeping obligations. This means you must keep proper accounts and retain supporting documentation such as invoices and receipts for at least five years. As a business, you are entitled to deduct all relevant costs directly connected to your activity, and losses can be offset against other taxable income.

## **6. Wealth tax**

Individuals residing in Norway as well as certain legal persons such as foundations, cooperatives, savings banks and mutual insurance companies are subject to wealth tax. Wealth tax is a tax that is assessed on the basis of your net wealth. Your net wealth determines the amount of wealth tax that is payable to your municipality and the state. The tax rate for income year 2025 is 1% of all amounts in excess of NOK 1,760,000.<sup>5</sup>

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<sup>5</sup> This tax rate is applicable for amounts exceeding NOK 1,760,001 and up to 20,700,000. The tax rate for amounts exceeding NOK 20,700,001 is 1,1%.