



LOYENS  LOEFF

Q&A - EMPLOYER  
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# Employment in the Netherlands

Editor Hans van Ruiten

A guidebook for employers  
and their international employees



# Q&A - EMPLOYMENT IN THE NETHERLANDS **THE EMPLOYER**

A guidebook for employers and their international employees

Edition 2018

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# Introduction

You are about to receive or hire an employee from outside the Netherlands. Or maybe you are a foreign employer, seconding an employee to work in the Netherlands. Perhaps the employee and even family members will be moving to the Netherlands.

In our experience, these situations might lead to questions, such as:

- do we need a work or residence permit for the employee?
- will we be confronted with Dutch mandatory labour law?
- does the employee have to pay tax in the Netherlands and do we have a payroll obligation?
- must we pay Dutch social security contributions?
- how can we arrange for participation in our company pension plan?

In this guidebook we will provide the answers to these and many other questions, grouped per subject, based on our knowledge and years of experience. Your employee will likely also have questions. These will be answered in a separate section of this guidebook. The information contained there may also be relevant for you.

We know that each situation triggers its specific questions. Consequently, we cannot rule out that you will still have questions after having read our guidebook. Moreover, since rules and regulations in the relevant areas are very detailed, it is impossible to give you an exhaustive overview. We will be more than happy to answer your questions and provide you with additional information.



01

IMMIGRATION LAW





# 1. Immigration law

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## ***When do we need a Dutch work permit for the employee?***

The main rule of the Foreign Nationals Employment Act ('WAV') is that a work permit must be requested for each foreign national who wants to work in the Netherlands, with the exception of nationals of EU Member States (with the exception of Croatia) and the European Economic Area (EEA; which includes the EU as well as Norway, Liechtenstein and Iceland) and Switzerland. Apart from the regular employment situation, a work permit must also be obtained for part-time work, jobs aimed at obtaining work experience, training-on-the-job positions and volunteer positions. Even if the employee is hired from another company, for instance an employment agency, a work permit is required. There are certain exceptions to these rules. The principal for whom the work is actually being carried out is responsible for ensuring that a work permit is obtained.

---

## ***Which nationals are exempted from a work permit obligation?***

A work permit is not required for the following categories:

- knowledge migrants, as explained further on
- intra corporate transferees, as explained further on
- foreign nationals who are allowed to stay in the Netherlands on the basis of community law (i.e. nationals of EU/EEA-countries and of Switzerland, and their family members)
- foreign nationals who have a permanent residence permit
- foreign nationals who have been exempted in view of specific activities to be performed during a very short period of time in the Netherlands, for instance to repair machinery, attend business meetings, attend training courses, or install software
- foreign nationals who have a residence permit, with an annotation stating that the foreign national is permitted to freely carry out work

- foreign nationals who have had a residence permit for at least five years with the purpose of legally working in the Netherlands
- foreign nationals who have a residence permit for the purpose of becoming/ being self-employed

Croatian nationals hold a special position, as a work permit is still required for them until at least 1 July 2018.

---

### ***Which conditions must be met to obtain a work permit?***

Pursuant to the WAV, a work permit will be refused if there are employees on the 'local labour market' who can fill the position. This labour market not only includes the Netherlands, but the entire EU/EEA and Switzerland. Another requirement is that the position must be advertised within the EU/EEA well in advance (at least five weeks before the work permit is requested), in other words: before the employee is recruited from abroad. Furthermore, sufficient efforts must be made to hire nationals from the EU/EEA and Switzerland. These grounds for refusal do not apply in the case of an intercompany transfer of specialised employees. Several other conditions must also be met.

---

### ***How long will a work permit be valid?***

The validity of a work permit is limited to only one year. If the employee needs to continue his activities in the Netherlands after this period, the work permit application process will have to start over again. In case of an intercompany transfer the work permit can be valid for a period of three years.

---

### ***What is the penalty for not complying with the work permit requirements?***

For each employee who works in the Netherlands without the required work permit, you will owe a fine of € 8,000 or more, whether you acted in conflict with the law deliberately or not. Other companies may be fined for the same offence and for the same amount, if they can (also) be considered employers pursuant to the WAV. Furthermore, the company may be registered in a public register, making the violation of the rules public.

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### ***For which employees/nationals is a Dutch residence permit required?***

All foreign nationals (except those from EU Member States, the EEA and Switzerland) who want to reside in the Netherlands for a period exceeding three months (90 days), need a residence permit.

A residence permit is always explicitly issued for a specific purpose of stay in the Netherlands, e.g. work, study or family reunification. In order to obtain a residence permit, several conditions must be met. A residence permit is normally granted after a work permit has been granted.

Employees who are employed by an employer located outside the EU/EER or Switzerland and who are seconded to a group company in the Netherlands as manager, specialist or trainee have to apply for a residence permit as an intra corporate transferee. If a residence permit has been granted, the intra corporate transferee is allowed to work in the Netherlands without the additional requirement of having a work permit. This is explained further on.

If the employee is not an intra corporate transferee, an alternative residence permit may be obtained for highly skilled migrant workers ('knowledge migrants'). If the conditions for this alternative route are met, the knowledge migrant is allowed to work in the Netherlands without the additional requirement of having a work permit. This alternative is explained further on.

---

### ***Do we have to obtain an entry visa ('MVV') for the employee who needs a residence permit?***

In most cases, those who wish to obtain a residence permit must first apply for an entry visa ('MVV'). If an MVV is required and the employee applies for a residence permit without first having obtained one, his application for the residence permit will be rejected. There are exceptions: e.g. nationals of one of the EU Member States, the EEA or Switzerland, the US, Canada, Australia, New Zealand, Japan, South Korea, Monaco and Vatican City do not need to apply for an MVV.

---

### ***How do we apply for an MVV and a residence permit for the employee?***

The residence permit application and, if required, the MVV application, must be filed by the Dutch employer/receiving company with the Immigration and Naturalisation Services (IND) while the employee is still residing abroad. If the employee meets all requirements for staying in the Netherlands, the IND will approve the applications. The MVV will be marked in the passport, by means of a sticker, by the Dutch embassy or consulate in the home country of the employee, in the nearest country in which the Netherlands has representation or in the country in which the employee legally resides. It allows the holder of this passport to enter the Netherlands. Upon entering the Netherlands, the employee is entitled to a residence permit.

If an MVV is required, the employee cannot enter the Netherlands prior to having been issued the MVV.



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### ***What is an intra corporate transferee?***

Intra corporate transferees are employees who are employed by an employer located outside the EU/EER or Switzerland and assigned to a group company in the Netherlands as manager or specialist on bachelor level or as a trainee with a master degree. The intra corporate transferee must in principle receive an income that is in line with the salary test for highly skilled migrant workers (see below). Intra corporate transferees have to apply for a residence permit under the intercompany transferee programme. National programmes as the highly skilled migrant programme cannot be used if the employees fall under the under the intercompany transferee programme.

---

### ***What is a highly skilled migrant worker (kennismigrantenregeling)?***

Highly skilled migrant workers ('knowledge migrants') are employees (other than self-employed persons) whose income exceeds a certain level and is in line with prevailing market salaries. The salary test is applied on a monthly basis. This salary is set at € 4,404 gross in cash per month, excluding the holiday allowance, for those over 30; for those under 30, the amount is € 3,229 gross in cash per month, excluding the holiday allowance (amounts 2018).

To be able to use the highly skilled migrant programme the Dutch employer/receiving company must be recognised as sponsor, as defined by the programme.

Under certain conditions, foreign university graduates are allowed to stay in the Netherlands for a period of one year to find a job as a knowledge migrant after completing their studies in the Netherlands or abroad. Before that year ends, they must have entered into an employment contract. The minimum income that is required in this situation amounts to € 2,314 gross in cash per month, excluding the holiday allowance (amount 2018). Income in kind and variable salary components (bonuses) are not taken into consideration for the salary-standard test.

Another category of knowledge migrants is those working on a PhD.; for them there is no age requirement or income limitation. Also postdoctoral or university professors under the age of 30 are considered knowledge migrants, regardless of the level of their income.

This programme cannot be used if the employee is employed by a company based outside the EU and will be seconded as manager, specialist or trainee. For these situations a special intra company transfer programme applies (Intra Corporate Transferee).

---

### ***Do we need a work permit for a knowledge migrant/intra corporate transferee?***

No, knowledge migrants and intra corporate transferees are allowed to work in the Netherlands without a separate work permit.

---

### ***What is the duration of the residence permit for knowledge migrants?***

Knowledge migrants receive a five-year residence permit if they have an employment contract for an indefinite period of time. If they have an employment contract for a limited period of time, the residence permit is granted for that period.

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### ***What is the duration of the residence permit for intra corporate transferees?***

Intra corporate transferees receive a residence permit for the duration of the assignment with a maximum period of three years.

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### ***What are the obligations for us as non-Dutch employer?***

For you, being the non-Dutch employer, there are no obligations.

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### ***What are the obligations for us as the receiving company?***

The Dutch company (employer, or fictitious employer based on the applicable rules and regulations) is regarded a sponsor and has certain obligations: e.g. all changes of circumstances which may be of influence on the status of the employee must be reported immediately, and certain documents must be kept in the administration.

It is essential that all obligations be met carefully, as you risk owing a fine of € 3,000. A recognised sponsor may even lose his status as a recognised sponsor and the employee may lose his status as a knowledge migrant.

Carefully observe the income requirement for knowledge migrants. You must always be able to guarantee and prove that the required (cash) income is paid to the employee per month.



02 |

LABOUR LAW





## 2. Labour law

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### ***Will Dutch labour law become applicable if we hire an employee from abroad?***

Certain Dutch provisions of employment law will apply on the employee. Usually, in the employment agreement a choice of law is made. Irrespective of this choice of law in the employment contract, the fact that the employee will be working in the Netherlands, will result in the application of certain mandatory provisions of Dutch labour law. As from the first day, the Terms of Employment (Cross Border Work) Act ('WAGWEU') applies to all employees from outside the Netherlands who work in the Netherlands. The following provisions in Dutch law and Collective Labour Agreements (which have been declared generally binding) apply to the employment agreement of each employee who works in the Netherlands:

- maximum working hours and minimum resting hours
- minimum number of paid holidays per year (4 weeks)
- minimum wage, including payments for overtime, excluding complementary company pension schemes
- conditions for the hiring out of employees
- health, safety and hygiene at work
- protective measures regarding employment conditions and working conditions for specific groups of employees
- equal treatment of men and women, as well as other subjects of non-discrimination

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### ***Do we need to offer the seconded employee a Dutch employment contract?***

In general, no. Whether or not you choose to do so depends on the length of the secondment, the position of the employee within the Dutch company or the group assignment policy. Offering a Dutch employment contract may be relevant

for tax, social security and/or pension reasons or for the ability of the employee to obtain a residence and/or work permit.

Check whether a Dutch employment contract is required.

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### ***Can we offer the employee a Dutch employment contract for a definite period of time?***

You can, within a total period of two years, enter into three consecutive employment contracts for a definite period of time with the employee. If this is followed by a fourth contract, this fourth contract will automatically be considered to be an employment contract for an indefinite period of time. Also, if the total period of two years is exceeded, the temporary contract automatically turns into a contract for an indefinite period of time. This does not apply if there is an interruption of more than six months between two contracts, during which period the employee neither has an employment contract with you nor works for you through an employment agency.

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### ***Will the laws of the home country continue to apply to the employee?***

Yes, if the Netherlands is the country where the employee only works temporarily, the law of the home country remains applicable. Moreover, certain Dutch regulations apply mandatorily.

However, the longer the assignment lasts, the higher the risk that the Netherlands will be regarded as the country in which the employee habitually works, meaning that more mandatory rules of Dutch law may apply than only the ones mentioned in the WAGWEU, which offer the employee better protection than similar provisions in his home country. For example, the protective rules on dismissals and payment during illness.



If the Netherlands is the country in which the employee works and Dutch social security already applies, you may consider opting to have Dutch law apply to the employment contract.

---

### ***Is there a minimum amount of information that we have to share with the employee?***

Usually employers inform their employees on the essential aspects of a secondment, but within the EU you must share at least the following information with the employee:

- a written employment contract, a letter of appointment and/or a written document containing various particulars of the employment agreement or employment relationship, e.g. the identity of the parties, the place of work, the salary, etc. prior to the employee leaving his home country
- the duration of the period of employment in the Netherlands
- the currency in which the salary will be paid
- if applicable, the social security aspects during his stay in the Netherlands
- if applicable, the arrangements regarding the employee's return to his home country.

---

### ***Which employment conditions should we address in particular under Dutch labour law?***

If you want to offer the employee a local contract in the Netherlands, a few aspects are important to address:

#### **The trial period**

A statutory maximum applies (i.e. two months). The trial period should be agreed to in writing in the individual employment contract or in the applicable Collective Labour Agreement.

### **The non-compete clause**

If you want to include a non-compete clause, this has to be laid down in writing in the individual employment contract. In temporary contracts, non-compete clauses can only be concluded if you explicitly motivate in detail why a non-compete clause is important for this particular employee.

### **Sickness and reintegration**

In case of sickness of the employee, you have to pay at least 70% of the maximum daily wage and holiday allowance during a maximum of two years as defined in the Civil Code. You can only dismiss the employee on the grounds that he is ill after two years of illness. During the illness, you and the employee have to cooperate as much as possible on the reintegration of the employee. The Dutch requirement of continuation of salary payments may conflict with the social security benefits if the employee is subject to the social security system of his home country. A special provision in the employment contract should cover this situation.

### **Liability for accidents and work-related disease**

If the employee has an accident or develops an occupational disease at work, he can hold you liable. You can only avoid liability if you can prove that you have taken all necessary precautions to avoid the accident/disease, or if you can prove that the accident/disease is the result of deliberate action or conscious recklessness of the employee. In practice, deliberate action or conscious recklessness turns out to be very difficult to prove.

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## ***Can you explain the Dutch law on dismissal?***

If an employee has an employment contract for an indefinite period of time and there are no urgent grounds for termination, there are two ways in which an employee can be dismissed:

### **Dismissal permit from the UWV**

This is only possible for economic reasons or if the employee has been sick during a period of two years or more. If the UWV issues a dismissal permit, you can terminate the employment contract in accordance with the terms of notice.

These terms of notice vary from one to four months, depending on the total duration of the employment.

### **Court decision**

This option is used when the reason for a dismissal is other than on economic grounds or long-term illness. You can ask the court to dissolve the employment contract.

If the employer initiates the termination, he will have to pay a transition payment (*transitievergoeding*), if the employee was in his employment for two years or more. Only in case of severe culpability on the side of the employee, he loses his right to the transitional payment.

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### ***What about directors of a Dutch company?***

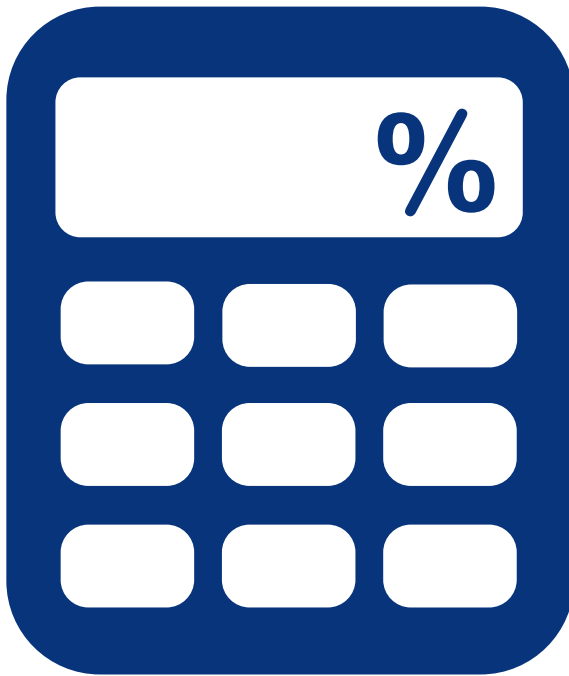
Under Dutch law, a formally appointed board member ('Director') holds a special position. Usually, the general meeting of shareholders is authorised to dismiss or suspend a Director, in accordance with corporate law. If the Director also has an employment agreement with the company (which is not always automatically the case), and he is dismissed by the shareholders in accordance with the corporate law, his employment contract ends automatically as a consequence of the corporate dismissal. This means that you do not have to obtain prior consent of the UWV, or ask the Court to dissolve the employment contract. Only two protective employment law provisions apply to the Director. The first one is that the (contractual or statutory) notice period for termination of the employment agreement must be observed. The second one is that, if the Director is ill, the employment agreement does not end automatically after the corporate dismissal. A Director who is dismissed, may request the competent court to award compensation for his dismissal via a claim for a reasonable severance payment. However, the Director cannot request the court to restore the employment relationship.

Under Dutch law, the legal relationship between a Director and a listed company cannot be regarded as an employment relationship and, hence, the contractual relationship will qualify as a contract for services. As a result, the Director does not have the normal employment law protection against dismissal and the listed

company is not bound by the statutory notice period(s) when terminating the agreement. Moreover, the Director will not be able to demand compensation for his dismissal via a claim for a reasonable severance payment. Whether a notice period must be observed for this purpose will largely depend on the agreement between the parties.

# 03

## WAGE WITHHOLDING TAX





## 3. Wage withholding tax

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### ***What is wage withholding tax?***

Wage withholding tax is an income tax due by an employee, to be withheld and paid by the employer on a – usually – monthly basis. The employee can credit the tax against his personal income tax eventually due. On certain fringe benefits (lump sum) tax may be due by the employer on the basis of the Employment Costs Scheme (*werkkostenregeling*; 'WKR'). This scheme provides specific tax regulations for reimbursements or allowances for work-related expenses.

Use the possibilities of the WKR to optimise the tax treatment of the remuneration package of your employee who is coming from abroad. Special attention should be given to the 30%-ruling.

### ***Which payroll obligations do we have?***

Each employer has to register with the Dutch Tax Administration as 'withholding entity' for the payment of wage withholding tax (and, if applicable, social security contributions) due on the taxable wage of employees.

#### **Dutch employer**

If you are a Dutch employer and already run a payroll administration, you can simply add the employees coming from abroad to your payroll.

#### **Non-Dutch employer**

If you are *not resident* in the Netherlands but have a permanent establishment (office or branch) in the Netherlands that your employees are working for, you have to register as withholding entity and file monthly wage withholding tax returns. For that, you can seek the assistance of specialised payroll bureaus.

If you, as a non-Dutch employer, hire out personnel to work for a principal (either a third party or a Dutch group company) in the Netherlands, you are considered to have a 'notional permanent establishment' (for Dutch wage withholding tax purposes only) and therefore have to maintain a payroll administration.

Under certain conditions, a Dutch group company may take over your responsibilities. This requires prior consent from the Tax Administration.

If a Dutch group company takes over your wage tax withholding obligations, the group company must be aware of the consequences and you and the group company must request prior approval from the Tax Administration.

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## ***What is employment income?***

Employment income is defined very broadly and can be, for example:

- Income in cash: such as regular employment income, expat allowances, commissions, bonuses
- Income in kind: such as the taxable benefit in relation to the private use of the company car, free accommodation, free meals, free travel, shares, goods, etc. The benefit of the private use of the company car is taxed at a certain percentage of the Dutch list price of the car, depending on the CO<sub>2</sub> emission.
- Entitlements: conditional rights to receive one or more future benefits, to be taxed in the future. E.g. pensions, certain social security benefits

The taxable benefit in relation to the private use of a company car can be avoided if your employee does not exceed 500 private kilometres per year (he has to keep a daily record of the kilometres driven) and obtains a confirmation thereof from the Tax Administration.



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### ***How are Long-Term Incentive Plans taxed in the Netherlands?***

Often, the entitlement to LTIP incentives depends on the targets to be reached and is therefore conditional and subject to a vesting period. In general, such incentives are taxable on the vesting date. In case of cross-border employment, the (possibly partially) Dutch tax obligation has to be determined based on the tax position of the employee during the vesting period. This means that you may still have to pay wage withholding tax after the employee has left the Netherlands.

Stock option rights are taxable at the time they are exercised. Tax is due over the gain realised at that moment, being the difference between the fair market value of the underlying shares at the moment of exercise and the exercise price of the stock option rights. A gain realised with the exercise of stock option rights granted in the period prior to the start of the employment in the Netherlands may also be (partially) taxable in the Netherlands.

---

### ***Which expenses can we reimburse in a tax-friendly way?***

Most work-related expenses incurred by an employee can be reimbursed free of tax under the WKR. For this, you have to designate reimbursements and allowances in your administration as tax-free under the WKR. This applies to e.g. travel expenses, moving expenses, costs of meals, courses, mobile phones and computers.

A special category is that of 'extraterritorial expenses', such as home leave, double housing, or language courses. These expenses may be reimbursed as explained above. However, if certain conditions are met, a fixed tax-free allowance for extraterritorial expenses can be paid, based on the so-called 30%-ruling. Reference is made to chapter 4 on the 30%-ruling.

---

### ***Do we have to pay Dutch wage withholding tax on the full salary if a non-resident employee also works outside the Netherlands?***

In general, non-resident employees only owe tax in the Netherlands on income generated on 'Dutch work days' (as determined by physical presence). Therefore, you only have to withhold wage tax for this part of the remuneration. If no tax treaty applies or the remuneration for non-Dutch work days is not subject to tax anywhere, you may also have to pay wage withholding tax for the salary paid over non-Dutch work days, based on Dutch national law. These situations require special attention, e.g. when the employee claims a tax exemption in the home country or on the basis of non-remittance in the UK.

---

### ***How to tax the fee of the Director of a Dutch company?***

Director's fees are taxed in the same way as the salary of an employee, meaning you have to deduct wage withholding tax. However, in general, director's fees are taxable in full in the country in which the company is resident. So, if you as a Dutch company have non-resident directors, taxation may not be limited to Dutch work days.

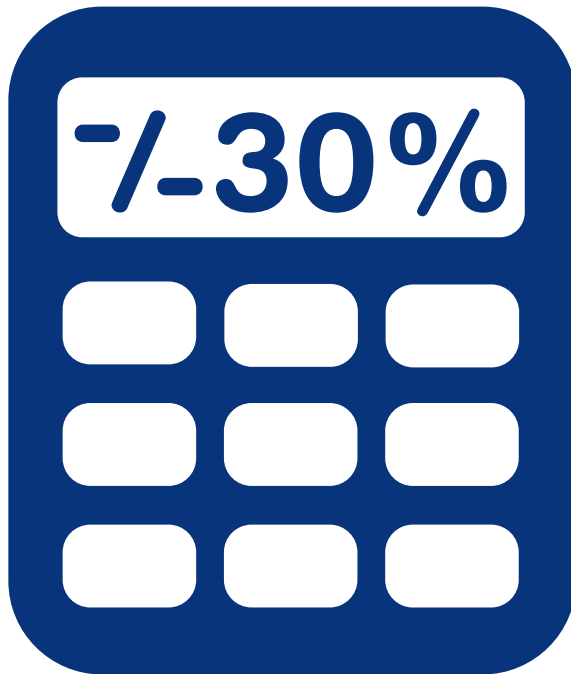
Under certain Dutch tax treaties you do not have to tax the full director's fee.

You do not have to deduct wage withholding tax for fees paid to supervisory board members (*commissarissen*). This also applies to non-executive board members of a listed company with a one-tier board. However, under certain conditions, you and the individual supervisory board member or the non-executive board member respectively can choose to nevertheless go for wage tax withholding ('opting in'). This may be beneficial, e.g. as it could allow the 30%-ruling to apply.

04

EXPATRIATE TAX REGIME

THE 30%-RULING





## 4. Expatriate tax regime: the 30%-ruling

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### ***What is the 30%-ruling?***

The 30%-ruling is a tax incentive for employees who are seconded or hired from abroad to work in the Netherlands, and have 'scarce specific skills'. They are assumed to incur so-called 'extraterritorial expenses'. You can pay 30% of the remuneration free of tax if certain conditions are met. The tax break may also reduce the amount of social security contributions due by you and your employee. The conditions for the application of the 30%-ruling are explained in the Employee section.

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### ***What exactly are extraterritorial expenses?***

Extraterritorial expenses are *extra* expenses your employee incurs in connection with working outside his home country, *extra* meaning: compared to his regular expenses in his home country. These can be expenses for travelling/commuting between the home country and the Netherlands, home leave, higher cost of living, double housing for a non-resident employee, a language course, fees for international schools, etc.

---

### ***How can we reimburse extraterritorial expenses free of tax?***

Extraterritorial expenses can be reimbursed free of tax under the WKR (Employment Costs Scheme), provided you explicitly designate these payments in your administration as a specific tax exemption (for extraterritorial expenses) under the WKR. You need to keep proof of the costs, such as invoices, receipts, tickets, specified expense reports.

---

### ***Why should we apply the 30%-ruling instead of reimbursing the actual extraterritorial expenses?***

If the 30%-ruling has been granted, you can reimburse extraterritorial expenses free of tax without having to prove the actual extraterritorial expenses. Furthermore, in case of a net salary agreement, the 30%-ruling will reduce your total salary cost.

---

### ***What if we reimburse extraterritorial expenses in addition to applying the 30%-ruling?***

If you reimburse expenses or pay a separate allowance for expenses which are to be qualified as extraterritorial expenses in addition to applying the 30%-ruling, you have to tax these additional payments.

---

### ***What is our role as employer?***

- you have to agree in writing with your employee as to what the consequences of applying the 30%- ruling are
- you and your employee together have to file an application for the 30%-ruling with the Tax Administration
- the 30%-ruling must be applied by you in the monthly payroll administration

---

### ***Which agreement on the 30%-ruling should we make with our employee?***

You have to agree with the employee (in writing, and preferably in an addendum to the employment/secondment contract) that part of the gross salary initially agreed is paid as a tax-free 30%-allowance, and what the consequences thereof are for the employee.

Contact us for a draft of an addendum on the 30%-ruling.

---

### ***How can we pay the 30%-allowance without having to deduct tax?***

In the payroll administration, you have to designate 30% of the remuneration (and if applicable, the payment or reimbursement of international school fees) as a specific tax-exemption (*gerichte vrijstelling*) for extraterritorial expenses in accordance with the WKR.

---

### ***Can we reimburse tuition fees for international schools free of tax?***

Yes, tuition fees for international schools or schools recognised as such by the Tax Administration – since they are regarded as extraterritorial expenses – can be reimbursed free of tax, whether the 30%-ruling is applicable or not. You always have to designate them as tax free allowance in accordance with the WKR.

---

### ***Can we pay a tax-free 30%-allowance in relation to salary that is not taxable in the Netherlands?***

If you pay salary to an employee to whom the 30%-ruling applies and who works abroad, (part of) that salary may not be taxable in the Netherlands on the basis of a tax treaty or similar regulation. Since this salary is not taxable in the Netherlands at all, application of the 30%-ruling would not result in a tax benefit.

---

### ***How to deal with – taxable – benefits in the payroll administration?***

When the 30%-ruling applies, you should check what is more beneficial: designating the benefits as a specific tax-exemption (for extraterritorial expenses) under the WKR or taxing the benefits on the individual pay slip of the employee. The difference is the applicable tax rate. Whether or not the benefit is a gross or net benefit plays a role here.

---

### ***Can we include the 30%-allowance in the pensionable base in our company pension scheme?***

Yes, that is possible if your pension scheme allows the accrual of pension rights on such tax exempted income.

---

### ***What is the benefit of the 30%-ruling for the social security contributions due by us as the employer?***

If the gross income of the employee is reduced with the 30%-allowance, you may end up having to pay lower employer contributions – but only if the reduced salary lies under the capped social security income (€ 54,614 in 2018). Of course, it will also reduce any benefits (disability, unemployment) the employee might receive. You must inform your employee about this in the agreement (addendum) on the 30%-ruling.

---

### ***Can we apply the 30%-ruling to a severance payment?***

The 30%-ruling is not applicable to termination payments. As of the date the employee leaves your service, you have one additional month to make the final settlement of vacation pay, vacation days, etc. and apply the 30%-ruling.



The 30%-ruling may no longer be applicable at an earlier point in time if the employee is on 'garden leave' first.

---

### ***Are there any other tax benefits of the 30%-ruling for the employee that we should be aware of?***

If the employee is a Dutch tax resident and the 30%-ruling applies, he can choose to report his income from investments and assets, as well as his income from substantial shareholding, as a 'partial non-resident taxpayer' (based on a limited tax liability). This implies that, in general, he does not have to report any such income. From a Dutch tax point of view, in general, this tax position is beneficial for the employee.

---

### ***What is the impact of the special status of US citizens for our payroll?***

If your employee is a US citizen (or Green Card holder) and he is tax resident in the Netherlands, his salary may be taxed as if he were a tax *non*-resident: only income earned on work days spent *in* the Netherlands is taxable in the Netherlands. The condition is that on his income tax return he elects the partial non-resident taxpayer status. You have to reduce the taxable salary in the monthly payroll administration on the basis of a workdays record.

For Directors the days allocation is different.

Contact us for advice on how to simplify this administrative process.

---

***How can we avoid our employees having to file an annual income tax return to cash our tax refund?***

If the employee is working under a net-salary agreement, any tax refund has to go to the employer. Especially in years of immigration or emigration such a tax refund may be substantial. In order to avoid an administrative and costly tax-filing process and problems with claiming the tax refund from the employee, you can seek approval from the Tax Administration to make a final – annual – (re) calculation of the taxable wage in the payroll administration.

Contact us for assistance in this process.





## 5. Social security

---

### ***Do we have to pay social security contributions for an employee seconded from abroad?***

The basic rule is that the employee is subject to the social security system of the country in which he works (physical presence), meaning that Dutch contributions will have to be paid. This may be different if he comes from a country for which a bilateral or multilateral social security treaty with the Netherlands is in place. An important multilateral treaty is Regulation (EC) no. 883/2004 (the 'Regulation') which applies to the EU Member States, Switzerland, and the EEA countries Norway, Iceland and Liechtenstein (referred to as 'Regulation countries').

### ***Can the employee continue the social security coverage in his home country?***

This depends on where he was resident and insured compulsorily for social security prior to coming to the Netherlands. Another factor is where his employer resides. In principle, he will become subject to the Dutch social security system if he works in the Netherlands. However, within the Regulation countries, and if the Netherlands has concluded a social security treaty (also called 'totalisation agreement') with another country, he may be able to continue the application of his home country social security. This may even be mandatory, based on applicable international rules.

In most cross-border situations in which the Regulation or a social security treaty applies, the employee can continue the social security coverage of his home country.

---

## ***What is the impact of the Regulation for an employee coming from abroad?***

Based on the Regulation, the employee may remain subject to the social security legislation of his home country instead of having to join the Dutch schemes, if the following conditions are satisfied:

- the employee was insured under the social security schemes of the sending country
- the employee is a national of one of the Regulation countries (in most Regulation countries, the Regulation also applies to third-country nationals, provided that they reside legally in the EU/EEA and migrate within the EU/EEA)
- the employee remains in the employment of the sending company
- the wages for the work carried out in the Netherlands are borne by the sending company
- the anticipated duration of the duties for which the employee is seconded to the Netherlands does not exceed 24 months
- his employer must have substantial (for employment agencies, habitual) activities in the home country
- the employee is not sent to replace another person who has reached the maximum term of secondment
- you will not post the employee to work for yet another company

The Regulation also provides special rules for the situation in which an employee works in more than one country simultaneously. The employee will always be subject to the social security system of one country only. That is his country of residence if that is where he works at least a substantial part of his time (25%). Special rules apply if this test is not met.

If it is in the interest of the employee it is possible to – in mutual consultation between the two countries – deviate from the above rules, e.g. when it is clear beforehand that the duration of the secondment will exceed 24 months. Such approval is usually given when the anticipated duration of the secondment is less than five years.

Try to get a good picture of where, and how frequently, the employee will be working in the various countries to establish which provision of the Regulation applies in his situation.

The Regulation provides specific rules for specific professions, such as employees working on board a vessel at sea or flight crew or cabin crew members performing air passenger or freight services.

---

### ***What is possible under a social security treaty?***

If the secondment is temporary, most treaties allow the legislation of the sending country to remain applicable. The conditions generally are:

- the employee must be a national of one of the two treaty states
- the home country employment is continued during the posting to the Netherlands
- the salary costs are borne by the home country employer
- the employee was covered by the social security legislation of the sending country immediately prior to the secondment

The period during which the above is allowed in general varies from twelve months to five years. It is advisable to apply for a 'Certificate of Coverage' confirming the applicable legislation. In some treaty states, this (application for a) certificate is actually one of the conditions for the above rules to apply.

The Netherlands has concluded social security treaties with (inter alia): Australia, Bosnia-Herzegovina, Canada (including Quebec), Chile, China, Egypt, India, Israel, Japan, Cape Verde, Channel Islands (Jersey, Guernsey, Alderney, Herm, Jethou), Kosovo, Macedonia, Morocco, Montenegro, New-Zealand, Serbia, Tunisia, Turkey, Uruguay, United States, South Korea

---

### ***What if neither the Regulation nor a social security treaty applies?***

In general, the Dutch social security system applies in full if the employee is a resident of the Netherlands. If not, there may be an exemption, e.g. if the employee is a non-resident and is working in the Netherlands for a non-Dutch employer for a period of less than six months. In that case, you will not have to pay the employee insurance contributions.

---

### ***Which contributions must we pay as employer?***

The contributions for the employee insurance schemes (Sickness Benefits Act ('ZW'); Work and Income according to Earnings Capacity Act ('WIA'); Unemployment Insurance Act ('WW')) are fully paid by you. These contributions are due over a capped income of € 54,614 (2018) and determined per type of industry.

The contributions for the health care insurance ('ZVW') consist of an income-related contribution of 6.9% over a capped annual income of € 54,614 (2018) due by you as employer, and a nominal contribution due by the employee to the health insurance company. This nominal contribution varies per insurer.

The national insurance contributions are due by the employee only. You have to deduct them from his salary each month.

All Dutch social security contributions are due over a capped income. From an employer cost perspective, it may therefore be interesting to explore the possibilities of applying the Dutch social security system instead of the home country schemes. Of course, when looking into this, the level of benefits should be taken into account as well.



---

### ***How do we pay social security contributions to the authorities?***

You have to withhold and pay all contributions through a Dutch payroll. You must be registered with the Dutch Tax Administration and file monthly tax returns. Non-Dutch employers may have to register as a withholding entity for the payment of employee insurance contributions only.

---

### ***Do we need proof to show that the employee is not subject to Dutch social security?***

Yes, first of all, the factual circumstances must be clear and must result in an exemption from Dutch social security, based on international rules and Dutch national law. Furthermore, if the Regulation or a social security treaty applies, a document A1 or a 'Certificate of Coverage' must be obtained from the social security authorities of the employee's home country, preferably prior to coming to the Netherlands. He may also need this certificate in order to continue his social security coverage in his home country. You can ask the employee to take care of the application or help him with this process.

In most situations a document A1 or a Certificate of Coverage is mandatory.

---

### ***What is the social security position of the family members of the employee?***

The position of the family members must be checked case by case. If they become residents of the Netherlands, in principle they will be subject to the Dutch national insurance schemes and the ZVW. Should they work under an employment agreement in the Netherlands, they are also covered by the employee insurance schemes.

For Regulation countries, under certain circumstances, the family members are entitled to continue the home-country health care insurance, based on the social security position of the employee.

Under some social security treaties the family members 'follow' the social security of the employee. In that case, if the employee continues to be subject to the social security system of his home country, this also applies to his family members.

Always check the social security position of the family members.  
In many cases they do not follow the social security position of the employee.

---

### ***How to treat social security contributions paid abroad in the payroll calculations?***

When making your monthly payroll calculations, you have to determine whether employer contributions constitute taxable wage for the employee or not, and whether the employee contributions are tax-deductible or not.

The Dutch Ministry of Finance has issued guidelines on this.

06

PENSION





## 6. Pension

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### ***Are we required to offer employees participation in a Dutch pension scheme?***

If the employee does not enter into an employment contract with a Dutch company, in general, no Dutch pension is required. If a Dutch employment contract is entered into, the employer is required to offer the employee participation in a pension scheme if the employment falls within the scope of an industry-wide pension scheme. For the sake of completeness: although not mandatory, many Dutch employers offer participation in a company pension scheme.

### ***What types of pension schemes are common in the Netherlands?***

Both defined benefit schemes and defined contribution schemes are common in the Netherlands.

### ***What is the definition of pensionable income in the Netherlands?***

The pensionable income is more or less equal to the taxable income. However, the pensionable income is capped at € 105,075 (2018) for a full-time employee.

### ***What to do if seconded employees prefer to continue participation in a pension scheme in their home country?***

First of all, you must check whether this is possible based on the foreign pension scheme. Secondly, without approval from the Dutch Tax Administration there will be no tax facilities available for the contributions paid. You can file an

application to have the foreign pension scheme approved as a qualifying pension scheme for Dutch tax purposes. Of course, you should make sure that you and your employee understand all the consequences of a (Dutch tax-favourable) continued participation. Please note that an approval is possible for a limited period only.

Since many aspects play a role when making decisions regarding a pension scheme, this should always be done on an individual basis.

---

### ***Is the pension contribution paid relevant for the Dutch payroll?***

Yes, the employee contributions related to a Dutch pension scheme or a qualifying foreign pension scheme are deductible and employer's contributions are tax-free for wage withholding tax purposes. Contributions related to a home country pension scheme which is not a qualifying foreign pension scheme in the Netherlands are not deductible and are taxable, respectively.

---

### ***Does the 30%-ruling affect the employee's pension?***

In principle not, because the 30%-ruling does not affect the amount of pensionable income of an employee. However, the pension scheme must allow this.



LOYENS  LOEFF

Q&A - EMPLOYEE  
EDITION 2018

# Employment in the Netherlands

Editor Hans van Ruiten

A guidebook for employers  
and their international employees





# Q&A - EMPLOYMENT IN THE NETHERLANDS **THE EMPLOYEE**

A guidebook for employers and their international employees

Edition 2018

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# Introduction

You are either working or going to work in the Netherlands. You and your family may even be moving to the Netherlands. From our experience we know that this might lead to questions, such as:

- what will be my tax liability when I become tax resident in the Netherlands?
- what are the Dutch tax rates?
- can I benefit from a favourable tax regime?
- do I need health insurance in the Netherlands?
- can I import my car without paying taxes?
- do I need to change my last will?

In this guidebook we will provide the answers to these and many other questions, grouped per subject, based on our knowledge and years of experience. Your employer will likely also have questions. These will be answered in a separate section of this guidebook. The information contained there may also be relevant for you.

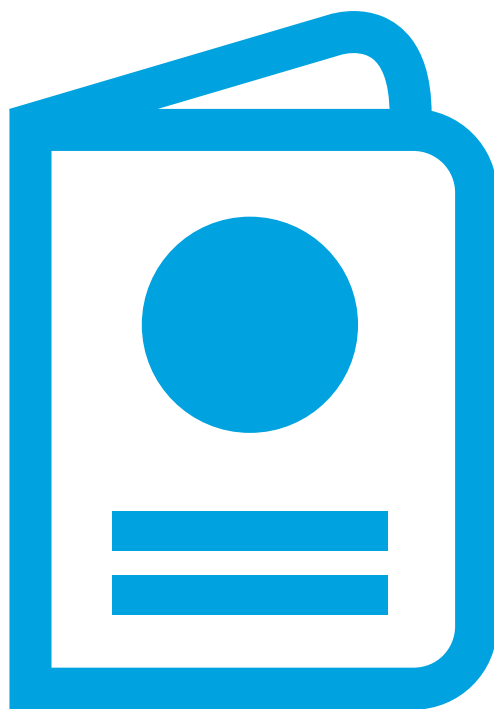
We know that each situation triggers its specific questions. Consequently, we cannot rule out that you will still have questions after having read our guidebook. Moreover, since rules and regulations in the relevant areas are very detailed, it is impossible to give you an exhaustive overview. We will be more than happy to answer your questions and provide you with additional information.





01

IMMIGRATION





# 1. Immigration

---

## ***When do I need a Dutch work permit?***

The main rule of the Foreign Nationals Employment Act ('WAV') is that a work permit must be requested for each foreign national who wants to work in the Netherlands, except for nationals of EU Member States and the European Economic Area (EEA; which includes the EU as well as Norway, Liechtenstein and Iceland) and Switzerland. Apart from the regular employment situation, a work permit must also be obtained for part-time work, jobs aimed at obtaining work experience, training-on-the-job positions and volunteer positions. There are certain exceptions to these rules.

For Croatian nationals a work permit is still required until at least 1 July 2018 .

---

## ***Which conditions must be met to obtain a work permit?***

Pursuant to the WAV, a work permit will be refused if there are employees on the 'local labour market' who can fill the position. This labour market not only includes the Netherlands, but the entire EU/EEA and Switzerland. Several other conditions must also be met.

Under specific circumstances the regime for highly skilled migrants (*kennismigrantenregeling*) may offer you a more practical alternative for the work permit (see chapter 1 of the Employer section).

---

### ***If I need a residence permit, do I have to obtain an entry visa ('MVV')?***

In most cases, those who wish to obtain a residence permit must first apply for an entry visa ('MVV'). If an MVV is required and you apply for a residence permit without first having obtained one, your application for the residence permit will be rejected. There are exceptions: e.g. nationals of one of the EU Member States, the EEA or Switzerland, the US, Canada, Australia, New Zealand, Japan, South Korea, Monaco and Vatican City do not need to apply for an MVV.

If an MVV is required, you cannot enter the Netherlands prior to having been issued the MVV.

The rules and possibilities under Dutch immigration law are explained further in chapter 1 of the Employer section.

02

TAX RESIDENCE





## 2. Tax residence

---

### *In which country am I tax resident?*

When coming to work in the Netherlands this is a relevant question, both in your home country as well as in the Netherlands. If the Netherlands regards you as a tax resident, your Dutch tax liability includes your worldwide income. If the Netherlands regards you as a tax *non*-resident, your Dutch tax liability will be limited.

Carefully check your tax residence status in both countries since it is a determining factor for all kinds of taxes, as well as for social security.

### *How is my tax residency defined?*

Each country has its own rules on determining a person's tax residence. In the Netherlands, tax residence is determined on the basis of facts and circumstances. Case law says that 'the existence of a long-term relationship of a personal nature with the Netherlands' is a crucial factor. Relevant facts and circumstances are the place of your home, where your family lives, social contacts, where you have bank accounts, etc.

If both the Netherlands and another country regard you as a tax resident of their country, a tax treaty may provide for a solution for avoiding double taxation.

---

## ***Do I have to register my presence in the Netherlands?***

If you wish to stay in the Netherlands for a period of more than four months, you must register – in person – with the municipal authorities within five days after arriving.

You must submit:

- a valid passport (this also applies to the spouse and children)
- a legalised copy of your birth certificate (this also applies to the spouse and children)
- a legalised marriage certificate (if applicable)
- if either partner was previously married, a copy of the divorce decree

Non-residents staying in the Netherlands for a period not exceeding four months also have to register (in person), but as non-residents.

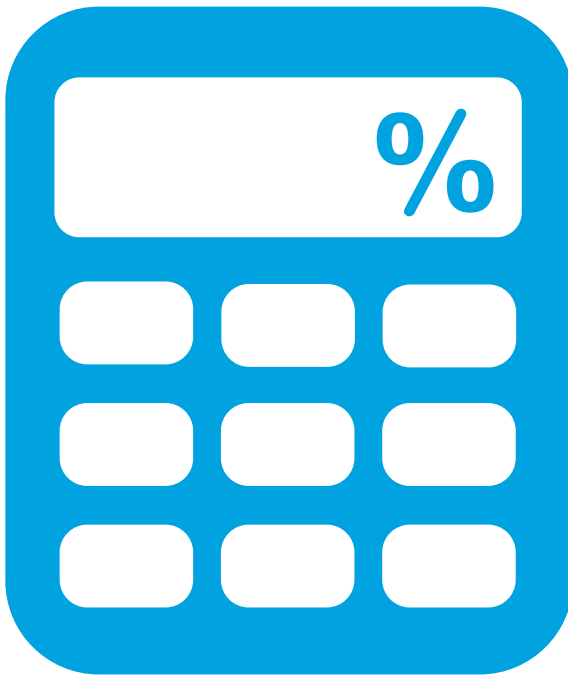
Upon registration, the municipal authorities will issue a 'BSN' (Citizen Service Number), a unique personal ID for tax and social security, but used by Dutch public authorities for many more purposes.

The BSN is an important personal number to get things started in the Netherlands. Make sure you get one as soon as you can.



# 03

## TAXATION FOR RESIDENTS





## 3. Taxation for residents

---

### *Can you explain the Dutch regime for personal income tax?*

If you are a resident of the Netherlands, your worldwide income – earned in the Netherlands or elsewhere – is subject to Dutch taxation. Tax treaties may provide tax relief aimed at avoiding double taxation.

The Dutch tax year runs from 1 January through 31 December. Income is taxed in three separate boxes:

- box 1: income from work and home
- box 2: income from substantial shareholding
- box 3: income from savings and investments

---

### *What is taxable and deductible in box 1?*

#### **Taxable income**

- employment income, pensions, social security benefits
- income earned by independent contractors
- income and capital gains from so-called ‘lucrative interests’ (financial instruments used as employee incentives, e.g. carried interest, ‘sweet equity’, non-recourse loans)
- periodic payments (e.g. alimony, certain state benefits)
- notional rental income from (owned) principal home in the Netherlands

#### **Tax deductions**

- expenses for commuting by public transport (to the extent that they have not been reimbursed by the employer)
- interest and costs of mortgage loan for principal home in the Netherlands
- certain annuity premiums

- alimony/maintenance expenses ex-partner/children
- specific medical expenses
- study expenses
- expenses for a principal home listed as a Monument
- donations to qualifying charitable institutions

The above is a restrictive summary of the most relevant issues only. Please note that a threshold applies to most of these deductions.

---

### ***What is the partial non-resident taxpayer status?***

If you are a tax resident and have arranged for the 30%-ruling to apply to you (see chapter 5), you can choose to report your income from investments and assets (box 3), as well as your income from substantial shareholding (box 2), as a partial non-resident taxpayer (based on a limited tax liability). This implies that, in general, you and your fiscal partner do not have to report any income in box 2 and 3. In general, this tax position is always beneficial for you from a Dutch tax point of view.

---

### ***What is my tax position if I am a US citizen benefiting from the 30%-ruling?***

If you are a US citizen or Green Card holder and you are tax resident in the Netherlands, your salary may be taxed as if you were a tax non-resident: only income earned for work days spent in the Netherlands is taxed in the Netherlands. The condition is that you elect the partial non-resident status on your income tax return.

If you work a lot outside the Netherlands, keep a record of your working days outside the country and contact your employer in order to reduce your Dutch tax bill.

---

### ***How is my employment income taxed?***

Employment income is defined very broadly. Your employer is obliged to withhold wage tax and, if applicable, social security contributions from your employment income. Please check chapter 3 of the Employer section.

---

### ***Are any expenses deductible?***

In general, you cannot deduct business expenses on your personal income tax return. Your employer, however, may be able to use tax facilities when it comes to reimbursing you for expenses made.

Check, together with your employer, whether you qualify for the 30%-ruling, an attractive tax regime for employees coming from abroad aimed at reimbursing certain expenses tax-free.

---

### ***Should I buy or rent a house in the Netherlands?***

Of course, this is a personal decision. For the tax consequences the following is relevant.

If you buy real estate in the Netherlands to use as your principal home, the costs and interest paid for a mortgage loan are tax-deductible during a maximum period of 30 years. However, strict regulations apply as to the type of mortgage you can take out, e.g. scheduled annuity repayments must be made on the loan. One-time expenses related to the mortgage are tax-deductible. Further costs, such as transfer tax, are not. When renting out, or selling your home and buying a new one, additional regulations may apply that could result in a reduction of the deductible mortgage interest in the future.

On the other hand, you have to add a notional amount as income from home ownership to your taxable income, being 0.70% (2018) of the official value of the home as determined by the municipality (the so-called 'WOZ' value), up to a WOZ value of € 1,060,000. For houses over € 1,060,000, the notional income from home ownership is € 7,420 plus 2.35% of the WOZ value in as far as it exceeds € 1,060,000 (amounts 2018).

---

### ***What is taxable and deductible in box 2?***

If you, together with your fiscal partner, own at least (directly or indirectly) 5% of the shares, or of any class of shares, in a company, the income (e.g. dividend) is taxed as income from substantial shareholding in box 2. You may be able to deduct certain expenses.

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### ***What is taxable and deductible in box 3?***

The taxable basis in box 3 is: your worldwide assets (bank accounts, shares, real estate, etc.) reduced by debts and liabilities, per 1 January of a tax year. Personal allowances reduce this taxable basis. The taxable benefit is a fixed notional income. The income actually earned (interest, dividends, rental income, etc.) is not taxed.

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### ***Do I have to pay capital gains tax in the Netherlands?***

In general, capital gains are not taxed and capital losses are not tax-deductible. However, capital gains on shares that qualify as a substantial shareholding are taxed in box 2, capital losses being tax-deductible.

---

### **What is the partner rule?**

Married persons and persons officially registered as partners are automatically considered partners for tax purposes if they are both resident in the Netherlands. Unmarried individuals who are not officially registered as partners will only qualify as fiscal partners if they are registered at the same address and have either:

- a notarial cohabitation contract
- a joint child
- a jointly and privately owned principal residence, or
- a joint pension plan

If you and your partner are fiscal partners, you can allocate income and deductions to each other in such a way as to optimise your overall tax burden. The same applies to taxable assets and deductible debts and liabilities in box 3.

---

### **What tax rates are applicable?**

#### **Box 1 (in €)**

Taxable income exceeding	up to	tax in %	national insurance (if applicable) in %	total in %
0	20,142	8.90	27.65	36.55
20,142	33,994	13.20	27.65	40.85
33,994	68,507	40.85		40.85
68,507		51.95		51.95

#### **Box 2**

The tax rate applicable to income taxed in box 2 is 25%.

#### **Box 3**

Income in box 3 is taxed at a flat rate of 30%.

You may be entitled to specific tax/social security rebates (*heffingskortingen*) or personal allowances, depending on your personal circumstances.

---

### ***Where do I pay my taxes if I have to work outside the Netherlands?***

If you work outside the Netherlands, it has to be determined in which country you have to pay tax on your employment income: the Netherlands or the work country. The tax treaty the Netherlands has concluded with the work country determines which country has the right to tax (part of) your remuneration and how double taxation can be avoided. If you work in various countries, each tax treaty has to be consulted.

---

### ***What is the ‘183-day rule’?***

Under most tax treaties your income earned outside the Netherlands is taxable in the Netherlands provided that:

- a. the days you are present in the country of employment do not exceed 183 days in any 12 month-period or tax/calendar year AND
- b. your remuneration is paid by or on behalf of an employer who is not resident in the country of employment AND
- c. your remuneration is not borne by a permanent establishment/representative of your employer in the country of employment.

If one of these conditions is not met, the country where you work may levy tax and the Netherlands has to grant a relief for double taxation



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### ***Who is the employer for tax treaty purposes?***

The second condition is complex. If e.g. you are employed by a Dutch employer but work for a company that is resident abroad, then, for purposes of applying the tax treaty, this company abroad could be your *economic* employer. From a Dutch point of view this is the case if certain requirements are met.

---

### ***How is a director's fee taxed?***

If you are a formally appointed board member or supervisory board member of a Dutch company, the fee you receive is fully taxable in the Netherlands. If you are appointed director of a company abroad, tax treaties usually determine that tax is to be paid in the country in which the company is resident. Some tax treaties (e.g. UK and USA) have different rules.

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### ***How can double taxation be avoided?***

If you have moved to the Netherlands to work here, most probably the country where you come from no longer regards you as a tax resident. In that case, double taxation on your employment income will, in general, not be an issue.

Double taxation can be an issue if you (also) work abroad and pay tax in another country. A tax treaty provides for a relief for double taxation.

If you are a resident of the Netherlands and the Netherlands has not concluded a tax treaty with the country in which you work, specific Dutch national regulations may protect you from double taxation.

The system for calculating this compensation is that the income earned abroad is exempted from Dutch taxation although it is taken into account when calculating the tax (at progressive tax rates) due on your total taxable income in box 1.

If, due to the fact that your income is not or not fully taxable in the Netherlands, you cannot realise a tax deduction (e.g. mortgage interest deduction), the deduction can be carried forward to a future year.

Some treaties provide for a 'credit method', usually applicable to (supervisory) director's fees. The tax credit is limited to the lower of either of the following: the amount of tax due in the other country or the amount of Dutch tax due.

---

### ***Can I benefit from the compensation scheme in the Dutch tax treaties with Belgium and Germany?***

If you are a Dutch resident and you work in Belgium or Germany and your income is (fully or partly) taxed there, you may benefit from a compensation scheme. If the tax due (including national insurance contributions) in those countries exceeds the amount you would have paid when working in the Netherlands, you can claim a compensation on your Dutch income tax return. Also, the loss of the benefit of tax deductions resulting from the fact that the income is not or not fully taxed in the Netherlands is compensated through this scheme.

04

TAXATION FOR

NON-RESIDENTS





## 4. Taxation for non-residents

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### *Can you explain the Dutch income tax regime for non-residents?*

If you are a tax non-resident, the tax liability in the Netherlands is limited to a specific number of Dutch sources of income only. Income is taxed in the same way as it is for tax residents, but different rules apply.

**Box 1:** income from work and home, e.g.

- employment income, pensions, social security benefits
- income earned by independent contractors
- income and capital gains from so-called 'lucrative interests' (financial instruments used as employee incentive, e.g. carried interest, 'sweet equity', non-recourse loans)
- periodic benefits, e.g. State benefits

**Box 2:** income from substantial shareholding.

**Box 3:** income from savings and investments.

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### *How is my employment income taxed?*

In general, only employment income earned on workdays of physical presence in the Netherlands is subject to Dutch taxation. Check the Employer section for more information. Specific rules apply to directors and supervisory directors.

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### ***How is income from substantial shareholding taxed?***

The same rules that apply to tax residents apply in box 2, except for the fact that they only refer to a company that is resident in the Netherlands. See chapter 3 on resident taxpayers.

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### ***Is my income from investments taxable in the Netherlands?***

The taxable basis in box 3 is limited to a number of assets (in most cases real estate in the Netherlands) reduced by corresponding debts, per 1 January of a tax year. You do not need to pay taxes on savings on Dutch bank accounts. Personal allowances, if applicable, reduce the taxable basis. The taxable benefit is a fixed notional income. Consequently, the income actually realised (e.g. rental income) is not taxed. No capital gains tax is due.

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### ***Which tax rates apply to tax non-residents?***

For tax non-residents the same brackets and rates apply as they do to tax residents. However, not all tax rebates are available to tax non-residents.

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### ***Can tax non-residents have the same tax deductions as tax residents?***

The idea is that you, as a tax non-resident, can make use of the tax benefits in your home country. If this is not (fully) possible due to the fact that your income is (partly) taxed in the Netherlands, the Netherlands will grant you tax deductions. For that, you have to be a 'qualifying non-resident taxpayer'.

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### ***What are the conditions for the ‘qualifying non-resident taxpayer’ regime?***

- the regime is available to residents of EU Member States, EEA and BES countries
- at least 90% of your income must be subject to Dutch taxation
- you have to submit an annual income statement issued by the Tax Administration of your home country demonstrating that the 90%-requirement has been met

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### ***Will my partner(s income) be eligible for this regime too, and what are the consequences of this regime?***

A qualifying partner is a person who:

- would have been your fiscal partner had both of you been residents of the Netherlands, or
- satisfies – individually or together with you – the 90%-requirement

You can realise tax deductions in as far as your home country does not honour your and/or your partner’s tax deductions.

Tax deductions may also reduce the basis for the calculation of the national insurance contributions.

Carefully check whether this regime is – overall – beneficial for you. Also, realise that having to show that you meet the 90% requirement may substantially complicate your Dutch tax return.

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### ***Can I allocate income and deductions to my partner?***

The partner rule is generally not available to tax non-residents, except for residents of, among others, Belgium, or for qualifying non-resident tax payers.

Residents of certain countries may be entitled to further benefits under the tax treaty. Do not forget to check whether this is the case for you.

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### ***I pay taxes in the Netherlands. What if I also pay tax in my home country?***

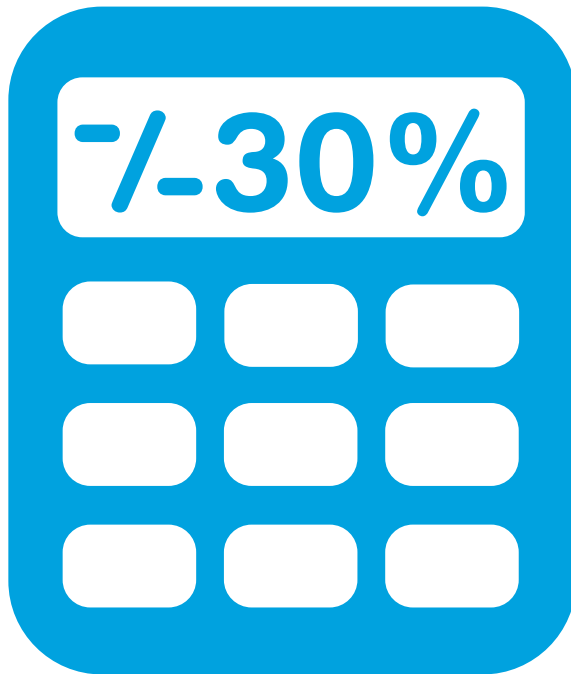
As a tax resident of your home country, most likely you will have to report your worldwide income there, including the Dutch employment income, and in principle pay tax on the full amount. A tax treaty may provide a relief for double taxation. You have to check in your home country whether and how you can claim such compensation.



05

EXPATRIATE TAX REGIME

THE 30%-RULING





## 5. Expatriate tax regime: the 30%-ruling

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### ***What is the 30%-ruling?***

The 30%-ruling is a tax incentive for employees who are seconded or hired from abroad to work in the Netherlands, and have 'scarce specific skills'. They are assumed to incur so-called 'extraterritorial expenses'. Your employer can pay 30% of your remuneration free of tax, provided you and your employer meet certain conditions. The tax break may also reduce the amount of social security contributions due by you and your employer, and may have a positive impact on your Dutch income tax position.

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### ***What exactly are extraterritorial expenses?***

Extraterritorial expenses are extra expenses you incur in connection with working outside your home country. Examples: higher cost of living, home leave, etc. See also chapter 4 of the Employer section.

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### ***Which conditions must I meet to qualify for the 30%-ruling?***

You qualify for the 30%-ruling if:

- you are an employee
- you are an 'incoming' employee, i.e. seconded from or hired from another country to work in the Netherlands
- you lived (tax place of residence!) at a distance exceeding 150 km from the Dutch border during more than 16 out of 24 months prior to the start of your employment in the Netherlands (an exception applies to PhD graduates)
- your taxable salary exceeds a minimum amount

- your salary is reported, and wage withholding tax is deducted from it, through a Dutch payroll
- you and your employer together have filed a request for application of the 30%-ruling with the Dutch Tax Administration

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### ***What minimum salary should I earn?***

Your annual taxable(!) salary has to be at least € 37,296 (2018) at the start, and during the full term this standard has to be met. The amounts are adjusted each year.

If you have a master's degree and are under 30, the salary requirement is € 28,350 (2018).

Note that your taxable salary is your gross salary less the 30%-allowance.

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### ***Are there any specific rules for PhD students or graduates?***

If you work at a qualifying institution for scientific research or education, no minimum salary requirement applies. This also goes for PhD students or graduates working at such an institution, and certain trainee physicians. Note that for PhD graduates who find a job in the Netherlands within a year after their graduation, the period of presence within the 150 km zone (inside or outside the Netherlands) is ignored.

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### ***Can I qualify for the 30%-ruling as a director of a Dutch company?***

If you are a formally-appointed board member of a Dutch company, you are regarded as an employee and you may qualify for the 30%-ruling, even if you do not physically work in the Netherlands.

If you are a supervisory director (*commissaris*), both you and the company have to opt for you to be regarded as an employee in order to be able to benefit from the 30%-ruling ('opting in'), if you meet the conditions for opting in. The same applies to a non-executive director of a listed company.

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### ***Can I qualify for the 30%-ruling if I do not move to the Netherlands?***

You do not have to actually move to the Netherlands in order to qualify for the 30%-ruling. Also tax non-residents may qualify.

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### ***What is the financial benefit of the 30%-ruling?***

If 30% of your remuneration is free of tax, your taxable salary (and basis for social security contributions) is reduced by 30%. As a result, you pay less tax, of course, because the marginal tax rate of 51.95% is reduced to 36.365%. Also, you can elect a favourable tax status on your annual income tax return (as a partial non-resident) reducing your Dutch income tax liability even further.

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### ***How can I apply for the 30%-ruling?***

You and your employer together have to file an application with the Tax Administration for non-residents in Heerlen. The Tax Administration confirms its agreement in a formal decision.

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### ***Do I need the approval prior to the start of my employment?***

If the application is filed within four months of the start of the employment, the 30%-ruling can be applied in the payroll retro-actively. If the application is not filed on time, the 30%-ruling can be applied starting the month following the month in which the application was filed.

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### ***What if the Tax Administration denies the 30%-ruling?***

If your application is denied and you disagree, you and your employer can file a notice of objection within six weeks. If necessary, you can go to court.

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### ***For how long can I benefit from the 30%-ruling?***

The maximum term is eight years. Most probably, as of 2019 the maximum term will be reduced to five years. Earlier periods of presence or work in the Netherlands may reduce this term. An exception is made for those periods of presence or work in the Netherlands which *ended* more than 25 years ago.

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### ***What if I change employers?***

If you change jobs, the 30%-ruling can continue to apply in your new employment – however, you and your new employer have to file a new application. The new employment has to be agreed to within three months of the termination of the former one.

Special attention should be paid to the three-month period when terminating a former employment with prior 'garden leave'.

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### ***How does the 30%-ruling work in practice?***

Your employer must apply the 30%-ruling in the payroll administration. Reference is made to chapter 4 of the Employer section.

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### ***What are the consequences of the 30%-ruling for social security?***

The basis over which social security contributions are calculated may be reduced when applying the 30%-ruling. In that case, you and your employer pay lower contributions but you should realise that any future social security benefits will be calculated over that lower basis too.

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### ***What are the consequences of applying the 30%-ruling for my Dutch company pension?***

If your employer's pension scheme allows this, you can accrue pension rights on the tax-free 30%-allowance.

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### ***What are the alternatives if I do not qualify for the 30%-ruling?***

If you do not qualify for the 30%-ruling, your employer may compensate you – free of tax – for the extraterritorial expenses actually incurred (of which proof must be supplied) instead of paying you the fixed 30%-allowance. You cannot deduct expenses from your taxable salary on your annual income tax return.

---

### ***What is the impact of the 30%-ruling on my personal income tax position?***

When filing your annual income tax return as a tax resident you can choose to be treated as a partial non-resident taxpayer, which in most cases is a more attractive alternative, especially for your box 3 income. The financial benefit of this tax status is that, in general, you and your fiscal partner do not have to report or pay tax on any non-earned income.

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### ***Is there a specific benefit for US citizens?***

When choosing the partial non-resident status, US citizens and Green Card holders are regarded as Dutch tax non-residents for application of the US-NL treaty. Therefore, if you are a US citizen resident in the Netherlands and you frequently work outside the Netherlands, this may be beneficial for you. See also chapter 3.

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### ***What is the relation between 30%-ruling and a driving licence?***

If you show the 30%-ruling approval to the municipality when exchanging your non-Dutch driving licence – or that of your family members – for a Dutch one, the process is simplified.







## 6. Social security

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### ***Am I subject to Dutch social security when working in the Netherlands?***

In general: yes. The basic rule is that you are subject to the social security schemes of the country in which you work (physical presence). This may be different if you come here from a country for which a bilateral or multilateral social security treaty with the Netherlands is in place. An important multilateral treaty is Regulation (EC) no. 883/2004 (the 'Regulation') which applies to the EU Member States, Switzerland, and the EEA countries Norway, Iceland and Liechtenstein ('Regulation countries').

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### ***Can I continue the social security coverage in my home country?***

This depends on where you were resident and insured compulsorily for social security prior to coming to the Netherlands. Another factor is where your employer is residing. In principle, you are subject to the Dutch social security schemes if you work in the Netherlands. However, within the Regulation countries, and if the Netherlands has concluded a social security treaty ('totalisation agreement') with another country, it is possible to continue your previous insurances. This may even be mandatory, based on the applicable international rules.

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### ***What is the impact of the Regulation on me?***

If you and your employer meet the conditions in the Regulation, you may be in a position to continue the social security coverage of your home country instead of having to join the Dutch schemes. You are responsible for applying for a document A1 or for a certificate of coverage, but ask your employer for help since it usually is up to the employer to address this issue.

In most situations, a document A1 or Certificate of Coverage is mandatory. Contact your employer.

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### ***What is my social security position under a social security treaty?***

Usually, there are ways to remain covered by your home country schemes.

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### ***What is my social security situation if there is no social security treaty?***

If no treaty has been concluded between the Netherlands and your home country, you most probably are covered by the Dutch social security schemes.

See the further explanation in chapter 5 of the Employer section.

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### ***What is covered under the Dutch social security schemes?***

There are three kinds of social security schemes in the Netherlands, two of which are applicable to residents of the Netherlands, and one that is applicable to employees working in the Netherlands. Please note that there are exceptions, depending on the circumstances of the case at hand.

- a. The national insurance schemes (*volksverzekeringen*) basically cover all persons who live or work in the Netherlands:
  - *General Old Age Pensions Act* ('AOW'). Pays the State Old Age Pension. The pensionable age is being raised gradually
  - *Surviving Dependants Act* ('Anw'). Pays benefits to widows, widowers and dependent children, subject to conditions

- *Long-term care Act* ('WLZ'). Covers treatment and care in recognised institutions and nursing homes
  - *General Child Benefit Act* ('AKW'). Pays a quarterly amount to parents of children under 18
- b. *Health Care Insurance Act* ('ZVW') offers a compulsory basic national insurance for medical costs. On top of that, a supplementary insurance is recommended.
- c. In principle, all employees who work in the Netherlands are compulsorily covered by the employee insurance schemes (*werknemersverzekeringen*):
- *Sickness Benefits Act* ('ZW')
  - *Work and Income according to Earnings Capacity Act* ('WIA')
  - *Unemployment Insurance Act* ('WW')

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### ***Do I have to pay the contributions or does my employer have to pay them?***

The national insurance contributions are withheld from your salary by your employer. The maximum contribution is 27.65% over your annual income, which is capped at € 33,994 (amounts 2018).

The contributions for the employee insurance schemes are fully paid by your employer.

The contributions for the ZVW consist of an income-related part, paid by your employer, and a nominal contribution which you have to pay to an insurance company. This nominal contribution varies per insurance company.

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### ***Will Dutch social security benefits be paid if I do not live in the Netherlands?***

Based on Dutch law, the payment of Dutch social security benefits abroad is restricted. The entitlement to a Dutch social security benefit is linked to residence in the Netherlands. If you live abroad or are present outside the Netherlands for work for a period exceeding three months, you may lose your entitlement to benefits. The same goes for benefits from a voluntary insurance.

These limitations are not applicable under the Regulation and under social security treaties with specific provisions regarding the payment of benefits abroad.

You are not entitled to a Dutch unemployment benefit if you are not a resident of the Netherlands. You have to claim this benefit in your country of residence, in accordance with national rules. In Regulation countries, the period of Dutch employment must be taken into account. This may also apply to social security treaty countries, depending on the specific treaty.

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### ***Can I, as a Dutch non-resident, benefit from medical care in my country of residence?***

If your country of residence is a Regulation country, medical care is provided in your country of residence, even if you are mandatorily subject to the Dutch social security system. This also applies to a number of other countries with which the Netherlands has concluded a social security treaty.

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### ***Is my family insured under the Dutch social security system?***

Family members that have accompanied you to the Netherlands are in principle insured under the Dutch national insurance schemes and the national health insurance, based on the fact that they are resident in the Netherlands. If they work under an employment agreement in the Netherlands, they are also covered by the employee insurance schemes.

Always check the social security position of your family members.





07

PENSION





## 7. Pension

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### ***Is there an obligation for me to participate in a Dutch pension scheme?***

If your employer falls within the scope of an industry-wide pension fund, in principle you have to participate in that pension scheme. For the sake of completeness: although not mandatory, many Dutch employers offer participation in a company pension scheme.

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### ***Can I continue participation in my home country pension scheme and are there any (tax) limitations?***

The first condition is that your home country pension scheme allows continued participation. A tax-favourable continuation of your home country pension scheme is possible if the Dutch Tax Administration approves the home country pension scheme as a qualifying foreign pension scheme. Your employer has to file an application to obtain approval. This approval, in principle, has a duration of five years and allows the Dutch Tax Administration to levy Dutch income tax should you receive your accrued pension rights as a lump sum in lieu of a retirement annuity.

Since many aspects play a role when making decisions regarding the pension scheme, this decision should always be made on an individual basis. Discuss your situation with your employer.

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### ***Will I pay tax on my pension retirement benefits if I am not a resident of the Netherlands?***

This depends on where you live once you retire as well as on the rules of the applicable tax treaty. For a non-Dutch pension scheme, if you have not opted for a tax-favourable continuation of your home-country pension scheme, the Netherlands will not tax your retirement benefits. If you have opted for a tax-favourable continuation during the Dutch work period, the applicable tax treaty stipulates if and to what extent the Netherlands may tax your pension.

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### ***Can I take my Dutch pension with me when leaving the Netherlands?***

Although a transfer of pension rights from the Netherlands to a non-Dutch pension administrator is possible, in practice this is very difficult because of the strict conditions that apply.

Also check chapter 6 of the Employer section.

08

IMPORT DUTIES, VAT AND

EXCISE DUTIES





## 8. Import duties, VAT and excise duties

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### ***Will I have to pay VAT, import duties and/or excise duties if I move to the Netherlands?***

If personal property is transferred to the Netherlands in connection with a change of domicile, VAT (21%) and import duties may be due, whereby some goods may also be subject to excise duties. However, within the EU different rules apply.

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### ***Will I have to pay VAT, import duties and/or excise duties if I move from another EU Member State to the Netherlands?***

If you move from an EU Member State, generally speaking you can transfer your personal property from that State to the Netherlands free of VAT, import and excise duties, and without having to fulfil any customs formalities. This only applies to belongings that are already in free circulation and on which all taxes have been paid.

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### ***Will I have to pay import duties, VAT and excise duties if I move from outside the EU to the Netherlands?***

If you change your normal place of residence from a country outside the EU to the Netherlands, the importation of your personal property and household goods is subject to VAT (21%), import duties and possibly excise duties. However, subject to conditions, you can obtain an exemption from taxation. To this effect, you must apply for an authorisation (licence) from the Dutch customs department. No exemption can be obtained for alcoholic products, tobacco or tobacco products or articles for professional use. The relocation company

(international mover) can generally take care of the necessary application and other customs paperwork.

Check whether you meet the conditions for the tax-free importation of your personal property.

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### ***Will I have to pay Dutch Registration tax on private cars and motorcycles ('BPM') if I take my car with me to the Netherlands?***

Yes, you will have to pay BPM. However, if the car is part of your personal property and is transferred to the Netherlands in connection with your relocation, then – under conditions – an exemption may be obtained. Subject to certain conditions, even company cars can be considered personal goods to which a tax exemption applies.

The car must be registered in the database of the Public Department of Road Traffic ('RDW'). If the car is sold, leased, lent out or otherwise transferred within 12 months after importation, the customs authorities will be informed of this and they will charge BPM retroactively, in most cases with an additional penalty.

If you import the car from outside the EU, also VAT (21%) and/or import duties will be due, unless abovementioned exemption applies. The current rate of import duties is, in most cases, 10%.



09

MATRIMONIAL PROPERTY

LAW AND INHERITANCE LAW





## 9. Matrimonial property law and inheritance law

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### *What is the common matrimonial property regime in the Netherlands?*

Statutory matrimonial property law has changed since January 2018. If you marry in the Netherlands without drawing up a prenuptial agreement, the limited community of goods will apply to you. The following assets are excluded from the community of goods: (i) any assets that were not jointly owned prior to marriage and (ii) inheritances and gifts.

A feature of matrimonial property law in the Netherlands is that there is freedom of contract between parties and that prenuptial and postnuptial agreements may deviate from the limited community of goods.

Spouses may determine that the goods are only partially shared or not shared at all. They may also agree that (a part of) the value of each spouse's individual property is mutually settled. To do so, the spouses must draw up a prenuptial agreement in a deed, to be drafted by a civil law notary who practices in the Netherlands. This deed should be signed prior to signing the marriage deed at the office of the civil servant. Also, by means of a notarial deed, prenuptial agreements may be altered during the course of the marriage.

As a result of the new matrimonial property law, a number of important new considerations apply if you plan to marry from 2018 onwards. For example, any assets that were jointly owned prior to marriage will become part of the new limited community of goods, even if the property ratio is not 50/50. One example might be the situation if you jointly own your home prior to marriage in a ratio of 70/30 or 80/20 and plan to marry without a prenuptial agreement. In this case, the new community of goods would designate each of you as a 50% owner of the home.

It is advisable to contact a civil law notary before getting married in the Netherlands.

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### ***My partner and I have a prenuptial agreement regarding our matrimonial property. Will this be recognised in the Netherlands?***

When it comes to matrimonial property law in combination with Dutch international private law, the rules in the Netherlands are roughly as follows:

- a choice of law made by the spouses regarding the applicable law of a particular country will be respected
- if no valid choice of law is made, the following law applies:
  - the law of the country of which the spouses share a nationality, and in absence thereof
  - the law of the country in which the spouses have their first habitual residence after their marriage, and in absence of any habitual residence
  - the law of the country with which the spouses have the closest connection

This is merely a rough summary of the rules of Dutch international private law. There are exceptions and there is further fine-tuning.

The applicable matrimonial property regime may change over time according to Dutch international private law. Two examples.

- If two British spouses have been living in the Netherlands for more than ten years, Dutch matrimonial property law becomes applicable to them, according to Dutch international private rules.
- If two Dutch spouses (that have the same nationality, as a consequence of which Dutch law is applicable) have been living in Spain for more than ten years, then, according to Dutch international private rules, Spanish matrimonial property law becomes applicable after ten years.

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***A non-Dutch law system is applicable to my marriage contract. Should I do something in the Netherlands?***

Yes, this is an important issue. You should contact a local Dutch civil law notary who can register the foreign law that is applicable to your marriage through a notarial declaration.

If non-Dutch law applies to your prenuptial agreement, this fact must be registered for it to also apply in the Netherlands.

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***Should I change my will when I become a resident of the Netherlands?***

It depends on your specific situation such as your nationality and the situation of your estate. Dutch law may be applicable or you may be able to opt for Dutch law to apply to your affairs. We strongly advise you to have your will checked by a civil law notary.

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***Will my inheritance be governed by Dutch law?***

This could be the case if you do not have a will.

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***How do I sign a will in the Netherlands?***

The only way to sign a legally binding will in the Netherlands is by signing a notarial deed at the office of a civil law notary in the Netherlands.



# 10

## GIFT TAX

## AND INHERITANCE TAX







## 10. Gift tax and inheritance tax

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### *Do I have to pay Dutch tax when I receive a gift or inheritance?*

If you receive a gift from a (deemed) resident of the Netherlands, you owe gift tax ('*schenkbelasting*'). If you receive an inheritance from someone who is a (deemed) resident of the Netherlands at the time of his death, you owe inheritance tax ('*erfbelasting*'). The place of residence of the donee or the heir – in other words: where you live – is not relevant.

The tax is levied at progressive rates, depending on the total value of the gift or inheritance and the relation between the donee/heir and the donor/deceased, taking into account applicable exemptions. Acquisitions by children from their parents are taxed at a rate that ranges between 10% and 20% and acquisitions by grandchildren from their grandparents at a rate between 18% and 36%. In general, a gift or inheritance received from other persons is taxed at a rate that ranges between 30% and 40%.

Should you, as a resident of the Netherlands, receive a gift or an inheritance from someone who is not a (deemed) resident of the Netherlands, in principle no Dutch tax will be due. This may be different if that person had been a resident of the Netherlands before.

Before immigrating into the Netherlands you should check the consequences of this move for your matrimonial property and consider whether you should adjust your will. See chapter 9.

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### ***If I make a gift, or die, as a resident of the Netherlands, will Dutch tax be due?***

If you make a gift or die while a resident in the Netherlands Dutch tax will be due by your beneficiaries. The place of residence of the beneficiaries is not relevant.

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### ***Will Dutch gift or inheritance tax be due by the beneficiaries after I have left the Netherlands?***

If you were a resident of the Netherlands, but move elsewhere and make a gift within one year of having left the Netherlands, you will be regarded a Dutch resident at the time of the gift for Dutch gift tax purposes, regardless of your nationality. A similar rule applies if you are a Dutch national, who has left the Netherlands and made a gift, or if you have died and left an inheritance: if this takes place within ten years after having left the Netherlands, you are regarded as a Dutch resident at the time of the gift or your death. In that case tax will be due by the beneficiaries.

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### ***Can a gift or inheritance be taxed in more than one country?***

It is possible that, in case of a gift or inheritance, gift tax or inheritance tax (or a similar tax) is due in another country as well. The Netherlands has entered into treaties to avoid double taxation in this area with a limited number of countries only. If there is no applicable tax treaty, in some situations the Netherlands will show some leniency, based on national rules.

## List of abbreviations

AKW	General Child Benefit Act ( <i>Algemene Kinderbijslagwet</i> )
Anw	Surviving Dependants Act ( <i>Algemene nabestaandenwet</i> )
AOW	General Old Age Pensions Act ( <i>Algemene Ouderdomswet</i> )
BES Countries	Bonaire, Saba and Sint Eustatius
BPM	Dutch Registration tax on private cars and motorcycles
BSN	Citizen Service Number ( <i>Burgerservicenummer</i> )
EEA	European Economic Area (EU Member States, Norway, Iceland, and Liechtenstein)
EU	European Union
IND	Immigration authorities ( <i>Immigratie- en Naturalisatiedienst</i> )
Knowledge migrants	Highly skilled migrant workers ( <i>Kennismigranten</i> )
MVV	Immigration Entry visa ( <i>Machtiging tot voorlopig verblijf</i> )
PhD	Doctor of Philosophy
Regulation	Regulation (EC) no. 883/2004
Regulation-countries	EU Member States, EEA and Switzerland
UK	United Kingdom
US	United States of America
UWV	Social Security Board ( <i>Uitvoeringsinstituut Werknemersverzekeringen</i> )
VAT	Value added tax ( <i>Omzetbelasting</i> )
WAGA EU	Terms of Employment (Cross Border Work) Act ( <i>Wet arbeidsvoorwaarden grensoverschrijdende arbeid</i> )
WAGWEU	Terms of Employment (Cross Border Work) Act ( <i>Wet arbeidsvoorwaarden gedetacheerde werknemers in de Europese Unie</i> )
WAV	Foreign Nationals Employment Act ( <i>Wet arbeid vreemdelingen</i> )
WIA	Work and Income according to Earnings Capacity Act ( <i>Wet werk en inkomen naar arbeidsvermogen</i> )
WKR	Employment Costs Scheme ( <i>werkkostenregeling</i> )
WLZ	Long term care Act ( <i>Wet langdurige zorg</i> )
WOZ value	Official value of a home, determined by the municipality
WW	Unemployment Insurance Act ( <i>Werkloosheidswet</i> )
ZVW	Health Care Insurance Act ( <i>Zorgverzekeringswet</i> )
ZW	Sickness Benefits Act ( <i>Ziektewet</i> )

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Our Employment & Benefits practice covers the full spectrum of employment and tax issues that employers and employees may have to deal with. We take all issues into account from a tax and legal perspective and that makes our practice unique. Our attorneys and tax lawyers are highly aware of each other's areas of expertise and call upon it when needed. As a result, the client can always count on clear and complete advice. Complex matters often require know-how that spans related areas of expertise within our firm. In such cases, our attorneys and tax lawyers work closely with specialists in other areas of law.

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## International mobility

Our key areas of advice are employment tax, employment law, immigration law, social insurances, pensions. When knowledge of cross-border employment matters is required but not immediately available, and where appropriate, we work closely with CELIA, an international alliance of independent law and professional services firms, and with other leading independent firms outside the Benelux and Switzerland.

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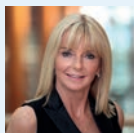


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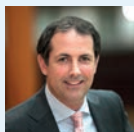


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