

INPATRIATES Netherlands

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE/RESIDENCY

Whether in-patriate employees working in the Netherlands are deemed a resident of the Netherlands for tax purposes, is dependent on the facts and circumstances of the individual.

Non-resident taxpayers are taxed on income earned in the Netherlands (i.e. Dutch Source income). This can include wages/salaries allocated to Dutch workdays, taxable profit from a Dutch company and/or income from other activities performed within the Netherlands. Furthermore, this can include income from a substantial interest in a Dutch company or income from savings and investments.

Resident taxpayers are taxed on their worldwide income regardless of where it is earned and paid. This includes foreign investments and bank accounts plus property that is situated outside the Netherlands. In case it is determined based on an applicable tax treaty that certain income should be considered taxable in another country, the Netherlands will grant a relief for double taxation.

Dutch Income Tax Return

In the Netherlands, it is a requirement to file a personal income tax return if you are either contacted by the Dutch tax authorities to file a Dutch income tax return, or there is an amount of income tax due.

Of course it is recommendable to file an income tax return in any case where a refund is expected.

The deadline for filing the income tax return is May 1st of the year following on the tax year. However, as tax advisors we make use of the so-called extension rule with the Dutch tax authorities. In case the extension is granted, the deadline for filing is extended with an additional year.

REGISTRATION/FORMALITIES

If the in-patriate has the intention to stay in the Netherlands for a period for longer than 4 months out of 6 months, the employee (and his family) are required to register with the Dutch municipality where they will reside. Please note that this registration has to be completed within 5 days after arriving to the Netherlands.

As a result of the registration, the employee (and his family) will receive an individual Dutch citizen service number (BSN). This BSN is required for any contact with the Dutch government. For example, for filing a Dutch income tax return or setting up a payroll for the employee.

Please note, that in case the in-patriate requires a BSN but does not have the intention to stay in the Netherlands for a period longer than 4 months out of 6 months, it is still possible to request a BSN (as a nonresident).

INCOME TAX AND NATIONAL INSURANCE RATES (EMPLOYEE RESPONSIBILITY)

Tax Rate (Income Tax)	Tax Rate (Income Tax + Social Security)	Income
9.42%	37.07%	€ 0 - € 35,472
37,07%	37.07%	€35,473- € 69,398
49.50%	49,50%	Over € 69,399

EMPLOYER'S RESPONSIBILITY FOR EMPLOYEE INSURANCE CONTRIBUTIONS

Insurance	Ceiling (EUR)	Percentage	Maximum Yearly Premium (EUR)
WW (Unemployment Insurance) (open-ended employment contract) *	59,706.00	2.70%	1,612.06
WW (Unemployment Insurance) (fixed-term employment contract) *	59,706.00	7.70%	4,597.36
AOF (work disability fund) (small employer) **	59,706.00	5.99%	3,576.39
AOF (work disability fund) (large employer) **	59,706.00	7.55%	4,507.80
Whk (Disability Insurance) (depending per company) ***	59,706.00	1.52%	907,53
Zvw (Health Insurance)	59.706,00	6.75%	4,030.15
TOTAL ****			14,042.85

* The percentage of the WW Unemployment Insurance depends on the type of contract of the employee.

** The percentage of the Aof (Disability Insurance) depends on whether the employer is small or medium/large. An employer is small with a wage bill up to and including € 882,500 total wage bill liable to premiums and medium to large with an annual wage bill greater than € 882,500 liable for premiums.

*** Please note that the average Whk premium is determined by the Dutch tax authorities.

**** Maximum total amount in case of applying the WW of a fixed-term employment contract, the Aof for medium and large employers and the regular Zvw percentage.

For further information and to register for future updates contact expat@bdo.global

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