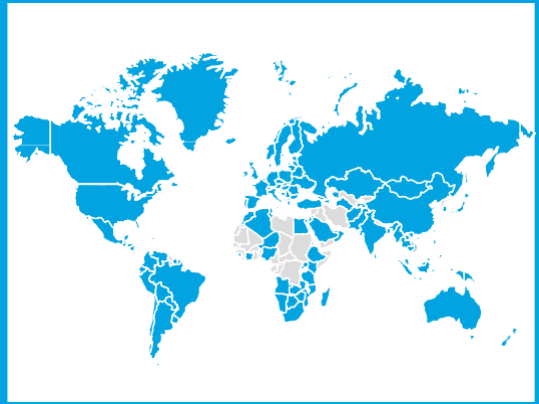


EXPATRIATES

Netherlands

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE

A Dutch employee on assignment outside the Netherlands can be considered a Dutch resident taxpayer or a non-resident Dutch taxpayer, depending on the facts and circumstances at hand.

In case of emigration, it might be possible that the employee is no longer liable to Dutch income tax if there are no Dutch sources of income remaining.

Non-residents 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.

Employees who remain a resident of the Netherlands, 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.

BREAKING RESIDENCY - EXIT PROCEDURES

In the tax year the Dutch employee starts his/her assignment abroad the following two situations can occur:

- The expat remains a Dutch resident for tax purposes. In this case in principle no further action is required besides filing a tax return as a resident taxpayer (P-form) in case the expat is invited or there is an amount of income tax due (or refundable).
- In case of emigration a migration form (M-form) has to be filed with the Dutch tax authorities. Prior to the emigration (at the latest 5 days before the move) the expat has to inform the current Dutch municipality about the new home country and preferable new home address.

In addition to income tax related matters, there are numerous other matters an expat will need to arrange when emigrating from the Netherlands. For example; social security positions, the pension savings, health insurance etc.

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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