

Tax planning in the different expat stages

1. Tax planning before moving



Structured tax planning in an early stage, before moving, can lead to more financial benefits. In that stage you can still optimize your situation by making decisions that minimize your later Dutch tax liability. Examples are the timing of buying a house, registration in the Dutch city council (the actual immigration) or signing a job contract. These decisions also affect your qualification the 30% ruling. J.C. Suurmond's independent tax advisors will gladly make their expertise available to you and help you with your tax planning.

2. 30 % ruling application



The [30 % ruling](#) is a very profitable tax ruling for expats who have been recruited from abroad, leaving up to 30 percent of your net income untaxed for a maximum period of five years. To qualify for the 30 percent ruling you must be able to prove that you were recruited from abroad by a Dutch employer. That means the contract has to be signed before you start living in the Netherlands. More precisely, you must have lived more than 150 km away from the Dutch border during 16 of the last 24 months. If you sign up in the Netherlands you will then be regarded as a domestic taxpayer and have the advantages and disadvantages of a regular Dutch taxpayer. But if you register too soon, before signing your contract, you will miss out on the 30 % ruling.

J.C. Suurmond can help you out with arranging your situation or presenting your situation to the tax office in such a way that the application has more chance to succeed. You can also contact them for a second opinion after a negative first application. For several clients they have been able to obtain a positive 30 ruling decision while they were already working in the Netherlands before they signed their contract but were officially still living in their home country.

In some cases it is possible to obtain a 30 % ruling for yourself or your partner when you set up your own business in the Netherlands.

3. Housing and tax



Before buying or renting a house in the Netherlands it is certainly worthwhile to calculate what situation works out best for you. With the tax interest rates at its lowest buying a house in the Netherlands can be financially more favourable than renting, with lower monthly expenses. Also the interest you pay on your mortgage is tax deductible, as well as mortgage related expenses. Although the prices of houses are very high now and the mortgage interest deduction rates will go down the coming years it may still lead to substantial tax deductions. If you have taken the step to buy a house you can file a tax form for provisional refund for mortgage relief which will be paid in monthly instalments during the year. J.C. Suurmond will be glad to give you advice and/or file this form for you.

4. M-form after immigration



After you have settled in the Netherlands you will have to file the Migration form or so called M-form for the year in which you officially moved. The form is only available in Dutch and is complicated and puzzles many people, even the Dutch. Mistakes are easily made and lead to too high or too low provisional tax refunds. Since the final tax refund is set only after 3 years many people find out too late. It is important to file one though because it provides many opportunities for a tax refund in the Netherlands. Filing an M form changes your tax status from non-domestic to domestic taxpayer. You do not always automatically receive an M-form, in which case you can request for one (till 5 years back). It is wise to seek advice to make sure you make no mistake while filing the M-form and all tax benefits are made use of. J.C. Suurmond is specialized in this matter.

5. Tax returns while living in the Netherlands



In the years following you can file regular tax returns. This is not always obligated but it is worthwhile to do so. Expats often have more tax refund possibilities than the Dutch taxpayers; for example the non working spouse refund. Also the general Dutch tax return deductions can be quite numerous like educational costs, charitable giving and alimony costs. J.C. Suurmond & zn. Tax consultants can advise you proactively about all your personal tax saving possibilities and file your tax returns to reduce taxes.

J.C. Suurmond also specializes in estate planning, inheritance tax and gift tax.

6. Tax return after leaving the Netherlands



After you leave the Netherlands again, you will have to file another Migration form for the year you have moved. Again, it is important to file this in the right way.

If you move out of the country again you can rent the house out, sell it, or keep it for own use. If you keep it for own use in some circumstances the property can remain in box 1 with mortgage interest deduction. In case you sell the property, please note: there is no capital gains tax. As international tax advisors we can advise you about your specific housing situation, as we know it can be quite complicated when you for example own houses in more than one country.

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