

J.C. Suurmond & zn.



— Tax consultants

The Expat Tax handbook

www.suurmond-taxconsultants.com

TOP 5



Untaxing taxes

Let us cycle you through the Dutch tax maze...

In the quaint and picturesque land of windmills and tulips, a vibrant community of expats has found their new home - the Netherlands. The lure of its rich culture, beautiful landscapes, and thriving economy has drawn people from all corners of the globe to this enchanting nation.

But behind the cobbled streets and charming canals lies a web of complexities that every expat must navigate....

Thankfully Suurmond Tax consultants and its team is ready to guide you through the Dutch tax maze. We offer a complete, tailored service to expats.

In this guide, we have explored the top 5 things expats in the Netherlands should be mindful of when it comes to taxes.

Meet the experts...

Sander



Lennart



Roderik



Hans



Untaxing taxes

A bit of background...

For centuries, dutiful Dutch citizens have contributed to the nation's financial journey through taxes. The 18th century saw ingenious taxation on essential goods like firewood, soap, salt, grain, meat, wine, peat, coal, and wool, with uniformity regardless of income.

In 1806, a visionary Minister of Finance, Alexander Gogel, introduced a game-changing system of general taxes. Not until 1914 did income tax (inkomstenbelasting) emerge, designed to scale with earnings—higher income, higher tax.

Main taxes in The Netherlands

Income tax

(inkomstenbelasting), which is a progressive tax on personal income, with rates ranging from 9.45% to 49.5%

Wage withholding tax

(loonbelasting), which is a tax deducted from employees' salaries by employers and paid to the tax authorities.

Value added tax (VAT, or omzetbelasting), which is a tax on goods and services, with rates of 0%, 9% or 21% depending on the category.

Corporate tax

(vennootschapsbelasting), which is a tax on the profits of companies, with rates of 15% or 25% depending on the taxable amount.



Untaxing taxes



Income tax return

How do I know if I need to file a tax return?

Even if you have not received an invitation to submit a tax return, check your Dutch tax situation with our expat tax advisor. We'll inquire, ensure no refunds are missed, and offer a second opinion on employer-prepared returns.

Why use a tax advisor?

Our advisers understand you don't wish to pay more tax than necessary and aim for a maximum tax benefit. With our long-term focus we can advise you proactively as your situation changes.

When is the deadline?

The deadline for the tax return is May 1st. We will request an extension for you till May 1st next year.

Which tax form should I file?

The regular tax form is a P-form. In immigration or emigration situations however, an extensive M-form has to be submitted. In a situation where you only lived in the Netherlands very short or merely worked in the Netherlands, a C-form for non-domestic taxation may apply.



“ A well structured and timely presentation is essential in the request to the Tax Service. “



Untaxing taxes

30 percent ruling - before and after

Are you an employee hired abroad to work in the Netherlands? Then you might be eligible for the 30% ruling, a fantastic tax exemption opportunity! The 30 percent ruling means that 30 percent of your salary is paid out on a tax free basis for a period of five years.

Applying for the 30% ruling

To increase your chance of the application being accepted, a well-structured and timely presentation is essential in the request to the Dutch Tax Authorities. We can give you a second opinion if your request was denied.

30% ruling application granted - what next?

If you acquired the 30%-ruling in 2023, it is still possible to opt for partial non-domestic taxation which releases you from the obligation to pay taxes on your worldwide wealth in box 3. On top of this you will be exempt from tax on income from savings and investments, as well as taxation on dividends from substantial shareholdings, with some exceptions.

Along with some other practical advantages, such as an easier procedure for acquiring a Dutch driving license, this makes the 30% ruling a very favourable arrangement for expatriates. However, if you acquired your 30%-ruling in 2024 or later, the option for partial non-domestic taxation is unfortunately no longer possible from 2025 onwards. Therefore you are fully taxable in box 2

30% ruling ending?

If your 30% ruling ends, your net salary will become lower. In addition, your tax status with regards to your worldwide assets may change.

Changes in 30%-ruling

With effect from 2027, the maximum tax-free allowance will be 27% instead of 30%. The 30% ruling is also capped to a certain income level called the WNT norm (also known as the Balkenende norm). In 2025 this amount is € 246.000 on an annual basis. This means that the 30% will not be applied to the part of the income that exceeds this amount. Furthermore, as mentioned previously, it is no longer possible to opt for partial non-domestic taxation from 2025 onwards.

Untaxing taxes



Starting a business in the Netherlands

The Netherlands stands as an exceptionally appealing destination for business establishment. With corporate tax rates ranging from 19 to 25,8%, and the innovation box offering a mere 9% tax on Research & Development endeavors, the investment climate is attractive.

Advantageous environment

The Netherlands boasts an extensive tax treaty network, thus avoiding double taxation across multiple countries. The Dutch participation exemption facilitates tax-free dividends from qualifying shares, while the fiscal unity regime permits seamless profit and loss offsetting within groups. Of course, the advantageous fiscal environment towards international companies adds to its allure.

International business structures need careful tax planning in order to design the most tax efficient structure. Our advisors can help you decide what the best business type is for your needs. Also we can assist with incorporation and registration with the Chamber of Commerce, and submit the necessary forms to the Tax Office. We can help with payroll requirements and contracts and setting up the accounts.

30%ruling for starting business

If you wish to start a business in the Netherlands, it is very worthwhile to investigate whether you could qualify for the 30%-ruling as employed by your company. In this case the company and payroll will need to be set up before you start working.



Untaxing taxes



Gift & Interitance tax

Dutch inheritance and gift tax percentages are pretty high, but there are also tax exemptions. The sooner you seek advice, the better our specialized tax advisors can work out a way for you to be able to keep as much money from the inheritance or gift as possible.

Inheritance tax

Do you live abroad and did the testator live in the Netherlands? In that case, Dutch inheritance tax must be paid. Did the testator live abroad and you in the Netherlands? Then no inheritance tax has to be paid in the Netherlands. You do have to file a declaration of the acquired assets at a later stage, box 3 tax.

Gift tax

A foreign gift might not fall under Dutch tax regulations. Gifts from non-residents or residents (excluding Dutch citizens) who left the Netherlands over a year ago aren't liable to gift tax. Yet, upon the money's arrival in the country, you might have to pay "Box 3" tax. A Netherlands resident (non-Dutch citizen) remains liable for gift tax, not inheritance tax, up to 1 year post emigration.



Contact us and let us have a look at your situation (free of charge). We are happy to advise you on the right time to make donations, and to help file your gift tax return(s) or inheritance tax return(s).



Untaxing taxes



Buying a house

Most important is that interest paid on a mortgage on your primary residence is tax-deductible, as well as mortgage-related expenses. It goes without saying that this can lead to substantial tax deductions.

The tax relief can be received in monthly instalments during the year, after filing the tax form for a provisional refund for mortgage relief, to be requested by the tax authorities.

No capital gains tax

Surprisingly, there is no capital gains tax in the Netherlands. If you move out of the country again you can rent the house out, sell it, or keep it for your own use. If you keep it for your own use in some circumstances the property can remain in box 1 with mortgage interest deduction.



Trusted tax advisors since 1986

Check out how we advised expats in the past

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Question about 30 ruling

I will start a new job in Eindhoven from the 1st of October and will apply for the 30% tax ruling. My question is: can I already start renting an apartment from the 1st of September or is this going to compromise the 30% tax ruling?



To qualify for the 30% ruling you need to have signed a job contract before you move to the Netherlands, that is September 1st in case you rent an apartment from that date. You should preferably register at the city council around October 1st.

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Seeking business advice

I am planning to move to the Netherlands from the UK. My plan is to commence an advisory business with international clients and keep working for my current UK employer in addition.



It is certainly possible to immigrate to NL, commence a business and work for a UK employer in addition. It may be easier to rule out double taxation by invoicing your UK employer from your business and consequently cease to be taxable in the UK. The UK employer may also prefer this rather than having to start running an NL payroll. If you have not lived in NL before you should consider the 30% ruling; it is however important to follow the procedure in the right order.

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Seeking gift tax advice

I am planning to buy a house in Amsterdam and my mother is willing to gift me 100k for that purpose. She is living in France. I would like to seek advice on how to keep tax to a minimum.



If your mother does not have Dutch nationality and she has not lived in NL in the past year, there is no Dutch gift tax due. You will need to document the gift as the bank may ask questions upon receipt of the money. Also, the notary may request information regarding the source of the money.

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Question about M-form














In the year in which I emigrated, I partly worked in the Netherlands as an employee and partly from my own company. I am wondering how to file my M form.



With your emigration, the sole proprietorship has also moved and should be deregistered. A sole proprietorship is not a separate entity. Annual accounts should be prepared for the Dutch period in the migration year and then the company should be deregistered. In a number of cases, a Dutch 'eenmanszaak' can continue to exist.

Untaxing taxes!

Services

-  183-day rule
-  Tax returns
-  Tax planning
-  M-form
-  Pension
-  Accounting services
-  Starting business in NL
-  → Leaving the Netherlands
-  30%-ruling
-  Expat taxes
-  Inheritance tax
-  Gift tax
-  Capital gains & housing



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What our clients say



Expat tax

"Thank you very much for your advice, it has been very helpful. I see why your clients recommend your services."



Interitance tax

"Leonard was so helpful. I find all tax rules etc very confusing and I found the explanation and advice I was given by him so helpful. I really appreciate good service and will definitely use your company again. Thank you so much. "



30% ruling

"That is amazing news! When you first told me about the rule, I couldn't quite believe that something like that would exist (and still don't quite understand why or how I deserve to get such a reduction in taxes), so now that you have actually managed to get it put in place, that really is something



Business tax

"Thanks so much for all your patience on this. Your advice is exceptional and I wish I had met you a few years ago."

Untaxing taxes!

