Global Tax Update

Netherlands

Deloitte Tohmatsu Tax Co.

October 2017

New plans for reforming the Dutch tax laws

Yesterday our new government coalition announced its plans for reforming the Dutch tax laws in the coming years in line with international developments. The most important changes in the corporate tax regulations are the following.

- In order to improve attractiveness of the Netherlands as a country of investment, the CIT rate (25%/20% for first EUR 200,000) will be reduced as follows:
  - 2018 : 25% / 20%
  - 2019 : 24% / 19%
  - 2020 : 22.5% / 17.5%
  - 2021 : 21% / 16%
- The dividend withholding tax will be abolished as per 2020 with an exception for dividend payments to recipients resident in low tax jurisdictions (to attack the use of low taxed paper companies)
- A withholding tax on interest/royalties will be introduced as per 2020 for interest/royalty payments to recipients in low tax jurisdictions (equally to attack the use of low taxed paper companies)
- As per 2019 a 30% EBITDA rule for interest deductions will be implemented with a EUR 1 million threshold
- Innovation Box CIT rate will be increased from 5% to 7%
- The loss carry forward period of 9 years will be reduced to 6 years
- The 30% tax free allowance regulation period for inbound employees/expats will be shortened from 8 years to 5 years.

The above announcements will be followed by more detailed draft regulations in the coming months. The effect of the above plans on the recently announced regulations in the Tax Plan 2018 should be awaited in the coming weeks.

Newsletter Archives

To see past newsletters, please visit our website.
www.deloitte.com/jp/tax/nl/eu

Contacts

Deloitte & Touche (Amsterdam)

Roger Brands, Partner	rbrands@deloitte.nl
Taik Fuchten, Director	tfuchten@deloitte.nl
Tom Bijkerk, Manager	tbijkerk@deloitte.nl

Issued by

Deloitte Tohmatsu Tax Co.
Tokyo Office
Shin-Tokyo Building 5F, 3-3-1 Marunouchi, Chiyoda-ku, Tokyo 100-8305, Japan
Tel: +81 3 6213 3800
email: tax.cs@tohmatsu.co.jp
Corporate Info.: www.deloitte.com/jp/en/tax
Tax Services: www.deloitte.com/jp/tax/s/en