

Netherlands

Netherlands Gazettes New Pension Law Containing Various Wage Tax Changes

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The Netherlands has recently gazetted a new pension law, that applies from 1 July 2023. The most important wage tax provisions are summarized below.

Wage Tax Act (WTA)

Old age pension

Per Article 18a of the WTA the maximum premium for an old age pension is 30% of the pensionable salary less EUR 14,802.

The 30% figure may change every 5 years (starting in 2037) and vary between 13% and 48% depending on the investment rate of return. The 30% figure will also change if the figure based on the investment rate of return changes by more than 5%. The authorities will announce such a change at least 3 years in advance and without retroactive effect.

If in a year less premium was considered than the maximum, taxpayers may take the remaining part into account in the future if they have not already done so in previous years.

Taxpayers are not entitled to the old age pension 10 years before the statutory retirement age but should receive it no later than 5 years after the age limit. A partner's pension for death on or after the retirement date may not be received earlier than the first day of the calendar month in which the employee or former employee died and takes effect no later than the first day of the month following the calendar month in which the employee or former employee died.

Article 18d of the WTA regulates that the amount of old-age pension, partner's pension in the event of death before, on or after retirement date and orphan's pension may vary, provided that the lowest benefit is not less than 75% of the highest benefit.

Transitional regime

Article 38q of the WTA contains a transitional regime under which the current wage tax regulations remain applicable to existing pension schemes that do not meet the wage tax provisions.

Article 38r WTA provides that for existing premium or benefit agreements, the existing age-dependent premium table may be maintained, with premiums varying between 19% and 40%.

The full text of the law of 3 June 2023, which was published in the Official Gazette 216 of 30 June 2023, is available [here](#) (in Dutch only).

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