

Corporate Taxation

Netherlands



IBFD

Netherlands – Corporate Taxation

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Table of Contents

Introduction.....	6
1. Corporate Income Tax.....	7
1.1. Type of tax system.....	7
1.2. Taxable persons.....	7
1.2.1. Residence.....	7
1.3. Taxable income.....	8
1.3.1. General.....	8
1.3.2. Exempt income.....	8
1.3.3. Deductions.....	8
1.3.3.1. Deductible expenses.....	8
1.3.3.2. Non-deductible expenses.....	9
1.3.4. Depreciation and amortization.....	9
1.3.5. Reserves and provisions.....	10
1.4. Capital gains.....	10
1.5. Losses.....	10
1.5.1. Ordinary losses.....	10
1.5.2. Capital losses.....	11
1.6. Rates.....	11
1.6.1. Income and capital gains.....	11
1.6.2. Withholding taxes on domestic payments.....	11
1.7. Incentives.....	11
1.7.1. General investment deduction.....	11
1.7.2. Energy saving investment deduction.....	12
1.7.3. Environmental investment deduction.....	12
1.7.4. Research and development deduction.....	12
1.7.5. Accelerated depreciation.....	12
1.7.6. Tonnage tax.....	13
1.7.7. Innovation box.....	13
1.8. Administration.....	14
1.8.1. Taxable period.....	14
1.8.2. Tax returns and assessment.....	14
1.8.3. Payment of tax.....	14
1.8.4. Rulings.....	14
2. Transactions between Resident Companies.....	15

2.1. Group treatment.....	15
2.2. Intercompany dividends.....	15
3. Other Taxes on Income.....	17
4. Taxes on Payroll.....	18
4.1. Payroll tax.....	18
4.2. Social security contributions.....	18
5. Taxes on Capital.....	19
5.1. Net worth tax.....	19
5.2. Real estate tax.....	19
5.3. Other taxes	19
5.3.1. Landlord charge.....	19
6. International Aspects.....	20
6.1. Resident companies.....	20
6.1.1. Foreign income and capital gains.....	20
6.1.2. Foreign losses.....	20
6.1.3. Foreign capital.....	20
6.1.4. Double taxation relief.....	21
6.2. Non-resident companies.....	21
6.2.1. Taxes on income and capital gains.....	21
6.2.2. Taxes on capital.....	22
6.2.3. Administration.....	22
6.3. Withholding taxes on payments to non-resident companies.....	22
6.3.1. Dividends.....	22
6.3.1.1. General.....	22
6.3.1.2. EU Member States.....	22
6.3.1.3. Iceland, Liechtenstein, Norway and Switzerland.....	22
6.3.2. Interest.....	23
6.3.3. Royalties.....	23
6.3.4. Other.....	23
6.3.5. Withholding tax rates chart.....	23
7. Anti-Avoidance.....	24
7.1. General.....	24
7.2. Transfer pricing.....	24
7.3. Thin capitalization.....	24

7.4. Controlled foreign company.....	25
8. Value Added Tax.....	26
8.1. General.....	26
8.2. Taxable persons.....	26
8.3. Taxable events.....	26
8.4. Taxable amount.....	26
8.5. Rates.....	27
8.6. Exemptions.....	27
8.7. Non-residents.....	27
9. Miscellaneous Taxes.....	28
9.1. Capital duty.....	28
9.2. Transfer tax.....	28
9.2.1. Immovable property.....	28
9.2.2. Shares, bonds and other securities.....	28
9.3. Stamp duty.....	28
9.4. Customs duty.....	28
9.5. Excise duty.....	29

Introduction

Corporate taxpayers are subject to a national corporate income tax. Employers must make social security contributions. A VAT system applies.

Before 10 October 2010, the Kingdom of the Netherlands consisted of the Netherlands, the Netherlands Antilles and Aruba. From that date the Netherlands Antilles ceased to exist and was divided into three parts, i.e. the BES Islands (Bonaire, St. Eustatius and Saba), Curaçao and St. Maarten. The BES Islands have the status of a special Netherlands municipality while Curaçao and St. Maarten have a partially separate status like Aruba.

All parts of the Kingdom have their own jurisdiction in respect of taxation. Consequently, Netherlands tax law is not applicable in the other parts of the Kingdom. Tax treaties concluded by the Netherlands do not automatically apply to Aruba, Curaçao and St. Maarten. The BES Islands may, depending on the outcome of the treaty negotiations between the Netherlands and a (new) treaty partner, also be covered by that treaty.

With effect from 1 January 2016, the Income, Inheritance and Gift Tax Arrangement (Belastingregeling voor Nederland en Curaçao, BRNC) between the Netherlands and Curaçao will apply. The new arrangement will replace the Tax Regulation for the Kingdom of the Netherlands (Belastingregeling voor het Koninkrijk, BRK), in respect of Curaçao and the Netherlands. With respect to St. Maarten, a similar new arrangement was proposed on 24 August 2015, which currently is still under parliamentary review. With respect to Aruba, the Tax Regulation for the Kingdom of the Netherlands covers double taxation issues.

The Tax Regulation for the country of the Netherlands applies between the European geographical part and the Caribbean part (BES Islands) of the Netherlands.

The applicable currency is the euro (EUR).

1. Corporate Income Tax

1.1. Type of tax system

The Netherlands corporate income tax is based on the classical system, which means that corporate profits are fully taxed and distributions from the taxed profits are again fully taxed in the hands of the shareholders. However, in the case of qualifying distributions to corporate shareholders, double taxation is eliminated through the application of the participation exemption (see section 2.2.). In the case of individual shareholders with a substantial shareholding (generally, at least 5%), economic double taxation is mitigated through a lower flat rate of income tax on dividends. Dividends and other profit distributions are subject to dividend withholding tax (with many exceptions), which is normally fully creditable against the shareholders' income tax liability. For non-resident shareholders, see section 6.3.1.

1.2. Taxable persons

Corporate income tax is levied on entities listed in the Corporate Income Tax Law (article 2 of the Vpb). These include:

- public companies (NV) and private companies with limited liability (BV);
- open limited partnerships, i.e. the limited partners can dispose of their share without the permission of all other limited or general partners (the profit share of the general partners is deductible);
- cooperative societies and other associations based on the cooperative principle;
- mutual insurance companies and other associations which act as insurance or credit organizations on the principle of mutuality;
- associations with or without legal personality and foundations to the extent that they conduct a business;
- funds for joint account;
- building corporations; and
- a number of government-owned companies.

The above entities are subject to unlimited tax liability as residents. Non-resident entities of similar description are subject to tax only in so far as they derive certain types of Netherlands-sourced income (see section 6.2.).

Limited partnerships, other than the above-mentioned open limited partnerships, and general partnerships are not taxed as companies. Their partners are taxed separately on their share of the profits (article 3.5 of the IB).

This survey is restricted to Netherlands-incorporated public and private companies, as well as to foreign-incorporated entities of similar description, whether resident or non-resident. For this survey these entities are referred to as companies.

1.2.1. Residence

Entities that are incorporated under Netherlands law are generally deemed to be resident in the Netherlands for corporate income tax and dividend withholding tax purposes (article 2 of the Vpb). Exceptions to this rule are provided, inter alia, for the purposes of the participation exemption regime.

In the case of companies incorporated under foreign law, the place of residence of a company is to be determined according to the facts and circumstances (article 4 of the AWR), the most important being the place where the company is effectively managed.

1.3. Taxable income

1.3.1. General

Generally speaking, resident companies are taxed on their worldwide income. Taxable business profits are defined as the sum of all profits and gains of whatever description or nature (article 8 of the Vpb). For capital gains, see section 1.4.

The computation of the annual business profits is based on the balance sheet and profit and loss account, which are determined on an accruals basis. In general, the fiscal balance sheets and profit and loss accounts correspond to the commercial balance sheets and profit and loss accounts. However, adjustments are made in the case of, for example, reinvestment reserves (see section 1.3.5. and any applicable tax incentives (e.g. investment deduction, see section 1.7.).

Companies, regardless of their activities, are deemed to conduct a business by using all of their assets. Therefore, a company's taxable income also includes income from portfolio investments and any capital gains.

1.3.2. Exempt income

The only important items of exempt income are domestic and foreign dividends and capital gains qualifying for the participation exemption regime (see section 2.2.).

1.3.3. Deductions

1.3.3.1. Deductible expenses

Expenses directly or closely connected with the conduct of a business are deductible (article 8 of the Vpb). Interest on a bona fide loan granted by a founder or shareholder to his company is deductible, subject to anti-abuse provisions (see section 7.). Royalties and service fees are, in principle (see also section 1.3.3.2.), deductible as business expenses, except to the extent they are hidden distributions of profits or do not conform with the arm's length principle.

The interest deduction for takeover holdings acquiring Netherlands subsidiaries as well as expansions of existing shareholdings is restricted (article 15ad of the Vbp). The restriction applies if (i) the interest exceeds EUR 1 million; and (ii) the interest paid is higher than the profits of the takeover company. A safe-harbour rule applies, under which the interest is fully deductible as long as the loan does not exceed 60% of the purchase price of the acquired company. However, in order to keep full deductibility of the interest, the acquiring company must repay 5% of the purchase price per year for the 7 years following the takeover, i.e. until 25% (60% minus (7 x 5%)) of the purchase price remains. Thereafter, the interest is fully deductible on a continuous basis.

Costs of acquisition and alienation of a participation in a resident or non-resident company qualifying for the participation exemption (see section 2.2.) may not be deducted.

The deduction of interest paid on loans to acquire participations is restricted. Interest exceeding EUR 750,000 is not deductible.

The excessive portion of interest paid is defined as the part of the interest expenses that is proportional to the ratio of participation debts to total debts. Participation debt is defined as the amount by which the purchase price of the participation exceeds the parent company's equity.

The restriction does not apply to:

- loans used to finance expansions of operational activities (e.g. production, distribution and sales activities) of participations. Investment activities are not considered operational activities;
- interest payments attributable to a foreign permanent establishment (an exemption applies to foreign permanent establishments; see section 6.1.1.).

Directors' remuneration is fully deductible, unless such remuneration is considered as a hidden profit distribution to a shareholder. Remuneration paid to members of the supervisory board is also deductible; restrictions apply if a member of the supervisory board is an individual who has a substantial interest in the company (generally at least 5%).

1.3.3.2. Non-deductible expenses

Dividend distributions, including hidden distributions, are not deductible (article 10 of the Vpb). Royalties and service fees are not deductible if they are hidden distributions of profits or do not conform with the arm's length principle. Interest may not be deducted under certain conditions (see section 1.3.3.1.).

Consideration paid for funds contributed by founders, shareholders or other participants as such are not deductible. Interest expenses and currency exchange losses are not deductible if paid for, or relating to, various types of loans from related companies (shareholding of at least 33.33%), unless the loan agreement was proven to be mainly based on business reasons. Furthermore, deduction of interest paid is denied if the taxation of the interest in the hands of the recipient is restricted by a tax treaty.

In addition, expenses in respect of yachts and all other vessels used for business entertaining are not deductible. The corporate income tax itself, most criminal fines and tax penalties are not deductible.

Mixed costs (costs that have both a business and a private character, e.g. food and representation) are only deductible within certain limits. Such expenses are fully deductible if the company adds to its taxable income an amount equal to 0.4% of the total taxable wages paid to all employees, with a minimum of EUR 4,400. Upon request, this amount is not added to taxable income, in which case the deduction of the total of such expenses is limited to 73.5% thereof.

1.3.4. Depreciation and amortization

Depreciation of tangible business assets (capital assets used in the production process which diminish in value over time) is compulsory and must take place whether the company is profitable or whether it sustains losses (article 3.30 of the IB). Depreciation is based on the historic cost price, useful life and the salvage value of the asset. The maximum annual depreciation is 20% of the historic cost price. Assets with a low acquisition price, in general those with a cost price under EUR 450, may be written off in the year of acquisition.

All systems of depreciation (straight-line method, declining-balance method, etc.) are permitted, provided that the system is in accordance with "sound business practice" and that it is consistently applied. This means, inter alia, that changes in the system are only allowed where there is good reason for them and are not allowed if made only for tax purposes.

For arbitrary and accelerated depreciation regimes, see section 1.7.5.

Intangible business assets may be amortized if they are purchased for a lump-sum consideration and are subject to wear and tear. The maximum annual amortization allowance is generally 20% of the historic cost price. Acquired goodwill, patents and concessions may, in general, be amortized over 10 years with a maximum of 10% per year. Self-created goodwill and patents are not considered to be capital assets and therefore are not amortizable.

Immovable property (land and buildings) may be depreciated as long as the book value does not drop below the "minimum value", which is equal to:

- 100% of the value according to the Law on Valuation of Immovable Property ("WOZ value") determined for the calendar year to which the depreciation relates, if the property is rented out (investment property); or
- 50% of the WOZ value, if the property is used by the taxpayer or a related company or person. A company is deemed to be related if the taxpayer (or a group company) has an interest of at least 5% of the share capital of the company. A related person is a spouse, partner or child of the taxpayer. If a child is minor, related persons also include his grandparents and partners of the parents.

However, immovable property may be depreciated to the lower economic value which it has for the business of the entrepreneur, i.e. the business value if proof can be provided. Revaluation must take place if the value of immovable property increases in a subsequent year.

If an asset is sold or otherwise disposed of at a price exceeding the current book value, the gain is treated as ordinary business income (see section 1.4.). If certain conditions are met, taxation of the gain may be deferred by allocating the gain to a reinvestment reserve (see section 1.3.5.). Conversely, if an asset is sold at a price lower than the current book value, the loss is deductible (see section 1.5.).

1.3.5. Reserves and provisions

A provision may be made for future expenses, the cause of which exists on the balance sheet date. An increase in such a provision leads to a decrease in taxable income and vice versa (article 3.53 of the IB). Provisions may be made for the payment of certain pensions, for events that may occur in the future and for bad debts.

A company alienating an asset may create a reinvestment reserve if the asset's sales proceeds exceed its book value for tax purposes. The reinvestment must take place within a period of 3 years, otherwise the reserve must be added to taxable profits. It is not required that the new asset has the same economic function, unless the alienated asset is not depreciated or is depreciated over a period of more than 10 years. A reserve formed after alienation of immovable property located in the Netherlands may also be used for reinvestments in immovable property outside the Netherlands.

The taxation of profits from the conversion, transfer or renouncement of a depreciated debt claim on a company in which a participation of at least 5% is held is deferred until the value of the participation increases. The profits are temporarily transferred to a revaluation reserve. Subsequently, the reserve is added to the annual profits for an amount equal to any value increase of the participation. This (partial) recapture of the reserve does not occur in the case of a transfer of the participation within a group of companies. The reserve may be released tax exempt (i) for the amount of profits derived from issued shares, profit shares, membership rights or participation certificates to which the participation exemption does not apply and (ii) in the case of the transfer of an entire participation to a company outside the group.

1.4. Capital gains

Capital gains and losses are included in ordinary taxable income (article 3.8. of the IB). Capital gains and losses are computed as the difference between the disposal price and the book value of the asset. The general rule of sound business practice is that capital gains are not taxed until they are realized, but capital losses may be deducted as soon as they can reasonably be expected.

An important exception to this rule is the capital gain or loss on the disposal of a substantial shareholding under the participation exemption (see section 2.2.). Rollover relief is, under conditions, available for capital gains (see section 1.3.5.).

1.5. Losses

1.5.1. Ordinary losses

Losses sustained may be carried back to be set off against profits of the preceding year and carried forward for 9 years (article 20 of the Vpb). Depreciation must be taken, even in a loss-making year (see section 1.3.4.).

Loss carry-over is restricted upon changes in ownership. In general, losses incurred by a company that wholly discontinues its business may only be carried forward if at least 70% of its shares continue to be held by the same individual shareholders ("the ownership test"). If more than 30% of the shares are held by new shareholders, a more restrictive carry-forward regime applies. For the transfer of losses within a group, see section 2.1.

In addition:

- losses incurred before the acquisition of the company cannot be set off against subsequent profits; and
- losses incurred after the acquisition of the company cannot be set off against profits made before the company was acquired.

With effect from 25 February 2015, the ownership test (see above) was further tightened. From that date, for the determination of whether the ownership has changed for more than 30%, the baseline is the ownership as it was at the start of the year from which the oldest uncompensated loss stems.

Losses sustained by a company whose activities have consisted during almost the entire year for at least 90% of the holding of participations or (in)direct financing of related companies may (under conditions) only be set off against the profits of years in which the company's activities also consisted for almost the entire year for at least 90% of the holding of participations or (in)direct financing of related companies.

For the treatment of foreign losses, see section 6.1.2.

1.5.2. Capital losses

In general, all losses sustained from a business activity in a tax period are deductible. Therefore, a loss on the disposal of an asset is also deductible.

An important exception to this rule is the capital loss on the disposal of a substantial shareholding under the participation exemption (see section 2.2.). However, a loss sustained in the event of the liquidation of the entity in which the participation is held is, in general, deductible (if the liquidated entity was resident abroad, this only applies in the case of a shareholding of at least 25%).

1.6. Rates

1.6.1. Income and capital gains

The corporate income tax rates are 20% on the profits up to EUR 200,000, and 25% on the excess (article 22 of the Vpb). The same rates also apply to capital gains.

1.6.2. Withholding taxes on domestic payments

A withholding tax of 15% is imposed on dividends, liquidation proceeds and other profit distributions, whether in cash or in kind, paid by resident companies to resident shareholders (articles 1 and 3 of the DB). The same withholding tax also applies to participation loans, because such loans are deemed to be equity of the debtor.

No tax needs to be withheld if the recipient shareholder qualifies for the participation exemption (see section 2.2.), and/or falls under the conditions of the EU Parent-Subsidiary Directive, or the distributing company and the shareholder are part of the same fiscal unity (see section 2.1.).

The tax withheld is normally credited against the recipient's corporate income tax liability (see also section 1.8.3.).

Under a law on dividend-stripping, no credit for dividend withholding tax is granted if the recipient of the dividends is not the beneficial owner of the dividends. This is deemed to be the case if the recipient has provided compensation in exchange for the dividends as part of several related transactions and the dividends are entirely or partially (in)directly paid for the benefit of companies entitled only to a lower credit or refund and these companies have (in)directly obtained or retained shares, profit-sharing certificates or participation loans in the dividend paying company to such an extent that the legal position is the same as before the related transactions took place.

There is no withholding tax on interest other than that on participation loans or on royalties. For withholding taxes on payments to non-resident companies, see section 6.3.1.

Employers are also subject to a tax on excessive severance payments, see Individual Taxation section 1.9.2.1.

1.7. Incentives

1.7.1. General investment deduction

A deduction is granted for small scale investments in certain assets, calculated as a percentage of the investment (article 3.40 of the IB). Assets destined to be used in a permanent establishment abroad or to be put at the disposal of others are ineligible. Investments in land, dwelling houses, private cars, securities, goodwill, concessions, animals and certain other items do not qualify. Self-produced assets may qualify. Transactions between close family members are excluded.

The deduction is only available if the total annual qualifying investment is between EUR 2,300 and EUR 309,693 (EUR 306,931 for 2014). The amounts of investment deduction are:

Invested amount (EUR)			Deduction
Up to		2,300	0

Invested amount (EUR)			Deduction
2,300	–	55,745	28% of the invested amount
55,745	–	103,231	EUR 15,609
103,231	–	309,693	EUR 15,609 minus 7.56% of the invested amount in excess of EUR 103,231
Over		309,693	0

If in a tax year more than EUR 2,300 worth of assets on which the investment deduction was granted is alienated, the percentage of investment deduction that has been granted for such assets (now applied to the selling price or the original investment costs if lower) is included in taxable profits. This provision applies only if the alienation occurs within 5 years of the beginning of the calendar year in which the investment was made.

1.7.2. Energy saving investment deduction

In addition to the general investment deduction (see section 1.7.1.), an energy saving investment deduction is granted (article 3.42 of the IB). In order to qualify for this deduction, an investment of at least EUR 2,500 (per asset) must be made in assets that enhance energy saving. The energy investment deduction is equal to 41.5% of the total amount of energy investments in a calendar year (same as for 2014). The deduction is zero to the extent that the investment exceeds EUR 119 million.

1.7.3. Environmental investment deduction

An environmental investment deduction is granted for investments which (i) further environmental protection, (ii) are listed in the decree on qualifying assets, and (iii) exceed EUR 2,500 (same as for 2014) (article 3.42a of the IB). The deduction is 36%, 27% or 13.5%, depending on the type of investment. The maximum deduction is EUR 25 million.

However, the deduction does not apply to companies that opt for the energy saving investment deduction (see section 1.7.2.).

1.7.4. Research and development deduction

Companies deriving income from qualifying R&D activities are entitled to an additional 60% deduction of the costs and expenses relating to these activities (article 3.52a of the IB).

In addition, a wage tax reduction of 35% is granted to employers with respect to salaries, up to a ceiling of EUR 250,000, paid to employees who carry out certain research and development (R&D) activities (article 23 of the WVA). For start-up companies developing technological products, this reduction is increased to 50%. For wage costs above this ceiling, the reduction is limited to 14%. The maximum amount per employer or fiscal unity (see section 2.1.) is EUR 14 million. Qualifying activities must be systematically organized in the Netherlands and be directly and exclusively aimed at technical and scientific research of new technical physical products or production processes. A prior feasibility study must be made; the reduction also applies to wages paid for this feasibility study.

The wage tax reduction may not be computed on the 30% tax-free allowance granted to foreign employees (see Individual Taxation section 6.2.1.). The income generated by qualifying R&D activities may qualify for the application of the innovation box (see section 1.7.7.).

1.7.5. Accelerated depreciation

Arbitrary depreciation is allowed for assets which are important for environmental protection (specified by the government) (article 3.34 of the IB). Furthermore, assets which are used for production in certain regions (specified by the government) and assets that have a high technological value or are used for research and development (specified by the government) may qualify for arbitrary depreciation. If the value of the investment exceeds EUR 25 million, arbitrary depreciation is only allowed after approval by the European Commission.

For environmental investments, the arbitrary depreciation for the years 2011-2013 is reduced to 75% of the investment; the remaining 25% is depreciated in the regular manner.

With effect from 1 January 2012, the 2-year accelerated depreciation possibility is abolished. Under this regime, most new business assets which were put into use before 1 January 2012 could be fully depreciated in a period of 2 years. The measure was maintained for 2011, which means that assets that were newly purchased or manufactured in 2011 may be fully depreciated over 2 years if used before 1 January 2014.

For investments made in new business assets in the period 1 July 2013 to 31 December 2013, taxpayers may depreciate up to 50% of that investment in the first year of use. This regime only applies if the new asset is first put to use before 1 January 2016.

1.7.6. Tonnage tax

Upon request, companies (and private entrepreneurs) engaged in shipping may elect to report taxable income for corporate income tax purposes as a certain percentage of the volume transported (article 3.22 of the IB). The regime applies to profits derived from the use of ships owned by the taxpayer (i) in international sea transportation, (ii) in sea transportation in connection with the exploitation of natural resources and (iii) in towing services. The exploitation of the ship must take place from the Netherlands but does not have to operate under the Netherlands flag. However, ships that the taxpayer owns wholly or in part, and charters on bareboat charter terms, must fly the flag of an EEA country.

The regime applies for a period of at least 10 years (or a multiple thereof), after which application may be terminated by the taxpayer.

1.7.7. Innovation box

Royalties derived from a self-developed patented intangible asset developed after 31 December 2009 are subject to an effective tax rate of 5% if the patent right contributes at least 30% to the profit derived from the use of the intangible asset (article 12b of the Vpb). The 5% rate also applies to profits derived from:

- the use of an intangible asset starting in the year in which a patent was requested until the year in which the patent was granted; and
- intangible assets for which no patent is granted but which result from R&D activities for which an R&D certificate was received.

Operational losses sustained from patented intangible assets are deductible at the standard rate of corporate income tax.

The separate taxation of income from such assets is referred to as the "innovation box". This regime is optional and does not apply to logos and trademarks.

The reduced effective tax rate of 5% is only applicable to profits derived from the use of an intangible asset that exceed the asset's development costs. The development costs are all costs incurred for the development of the innovation, regardless of the operational function. Excluded from the development costs are costs for fundamental research to the extent that they are not directly linked to the developed innovation.

Gains derived from the transfer of above-mentioned intangible assets are also subject to the 5% rate.

Foreign withholding taxes on royalties may be credited in the normal manner (see section 6.1.4.), even if those royalties are taxed under the innovation box regime. For the research and development deduction, see section 1.7.4.

The taxpayer may, instead of applying the full innovation box regime, opt to attribute 25% of profits, with a maximum of EUR 25,000, to the innovation box if he has developed an intangible asset qualifying for the box in the current year or 2 preceding years. This alternative regime may only be applied in the year in which the intangible asset was developed and the 2 subsequent years.

1.8. Administration

1.8.1. Taxable period

In general, the tax year is the calendar year. Corporate taxpayers may, however, adopt a different tax year in accordance with their articles of association. A company with a tax year other than the calendar year is subject to tax according to the law applicable to the replaced tax year. Taxable income is the income that is derived during a tax year.

1.8.2. Tax returns and assessment

The deadline for filing a corporate income tax return is set by the tax authorities when sending a company the corporate income tax return form (article 9 of the AWR). The company must be given at least 1 month to file the return from the receipt of the form. Generally, corporate income tax returns must be filed before 1 June of the year following the tax year (provided that the tax and calendar years coincide). Upon request, the deadline may be extended.

Preliminary assessments may be made during the tax year, and final assessments must be made within 3 years of the end of the tax year (articles 11 and 13 of the AWR). Additional assessments are allowed within 5 years if new information has become available, which the tax inspector could not reasonably have known at the time the final assessment was made. With respect to foreign-source income, the 5-year period is extended to 12 years income from abroad.

1.8.3. Payment of tax

Preliminary assessments may be made during the tax year. If a preliminary assessment is higher than the final assessment, the excess is refunded (with interest), while if a preliminary assessment is lower than the final assessment, the shortfall is payable (with interest) (article 30F of the AWR). Interest payments (and penalties) are not deductible for tax purposes.

Preliminary assessments are set off against the final tax liability and dividend withholding tax is credited against the corporate income tax due.

The final tax due is payable within 6 weeks of the date of assessment (article 9(1) of the IW).

1.8.4. Rulings

Advance rulings may be requested by both resident and non-resident taxpayers on the tax consequences of certain transactions or acceptable transfer prices. They can also be obtained with respect to certain activities of an auxiliary or preparatory nature performed in the Netherlands on behalf of an internationally operating group of companies. In addition, advance rulings can be obtained concerning the deductibility of fees paid in respect of certain financial activities and of royalties paid. The ruling practice comprises specific advance pricing agreements and advance tax rulings.

In general, an advance tax ruling is considered to be a binding advance opinion from the tax authorities based on specified facts and circumstances. The ruling is binding only with respect to the activities specified by the ruling; if the actual facts and circumstances deviate, the ruling is cancelled. Such rulings are generally valid for a specified period of time and may be terminated or amended in a number of cases (e.g. if the conditions are no longer met, a relevant legislative change takes place or the actual situation is different).

With respect to related transactions carried out by intermediate financial services companies or holding companies, no advance rulings are issued if the company does not have sufficient substance in the Netherlands.

2. Transactions between Resident Companies

2.1. Group treatment

If a resident company holds, directly or indirectly, at least 95% of the share capital *and* the voting rights of one or more other resident companies, these companies may upon joint request apply to be treated as a fiscal unity (articles 15-15a of the Vpb). Foreign companies with a permanent establishment in the Netherlands may, under certain conditions, as a parent company or subsidiary be part of a fiscal unity. A fiscal unity may not be formed with a foreign subsidiary. However, with effect from 16 December 2014 (following the Court of Justice of the European Union's decision in *SCA Group Holding* (Case C-39/13)), a fiscal unity may be formed between:

- a resident parent company and a resident sub-subsidiary, where the parent holds that sub-subsidiary through non-resident companies which do not have a permanent establishment in the Netherlands; and
- resident sister companies, the common parent company of which neither has its seat in the Netherlands nor has a permanent establishment there.

The parent company of a fiscal unity files a tax return on a consolidated basis. A fiscal unity allows the offset of losses of one company against profits of another company in a particular year and a tax-free transfer of assets and liabilities and dividend distributions between the companies that belong to it. After dissolution of the fiscal unity, tax may become due on the hidden reserves of assets transferred within a fiscal unity. Losses of a company originating from tax years before the commencement of group consolidation may only be set off against profits of that company. Intra-group dividends are exempt from withholding tax.

There are restrictions to the deductibility of interest on loans received from a related company to acquire shares in a resident company (not applicable to loans taken to finance a business succession). All companies in the fiscal unity are jointly and severally liable for the total corporate income tax debt of the fiscal unity.

A fiscal unity is dissolved if the requirements are no longer met, or at the joint request of the parent company and subsidiaries concerned. It is possible that only part of the unity is dissolved. Losses incurred by the fiscal unity remain with the parent company, unless the parent company and the respective subsidiary formally request the tax inspector to allow loss deduction at the level of the subsidiary to which that loss belongs.

2.2. Intercompany dividends

Where a resident company or a permanent establishment of a non-resident company receives domestic or foreign-source dividends, the gross amount less expenses is, in principle, fully taxable. However, dividends, currency gains and capital gains on shares are fully exempt from corporate income tax if the participation exemption applies (article 13 of the Vpb). For foreign-source dividends, see section 6.1.1.

The participation exemption is applicable if the following conditions are met:

- (1) the recipient resident company owns at least 5% of the nominal paid-up capital of the resident or non-resident subsidiary or, if the subsidiary is established in an EU Member State and the tax treaty with that state provides for a reduction of the dividend withholding tax on the basis of voting rights, 5% of the voting rights in that subsidiary (e.g. the treaties with Germany, Ireland and the United Kingdom). A percentage of less than 5% of capital or voting rights may qualify if a related company owns a shareholding of at least 5% of the capital or voting rights; and
- (2) the participation is held for business reasons and not as a mere portfolio investment.

If the condition under (2) is not met, the participation exemption nevertheless applies if one of the following conditions is met:

- not more than 50% of the subsidiary's assets usually consists of portfolio investments, which do not have any business function. Participations of less than 5% in the capital or voting rights are always classified as a portfolio investment;
- the subsidiary which owns more than 50% portfolio investments is taxed in its state of residence at a statutory rate of at least 10%. This condition is not met if the tax base is very small or the subsidiary benefits from a preferential regime.

The participation exemption does not apply if the subsidiary is classified as a low-taxed investment company, and subsequently a 5% credit is granted for the underlying corporate income tax borne by the subsidiary. However, when the subsidiary is established in another EU Member State the actual underlying corporate income tax may be credited. A credit which cannot be taken into account in a tax year may be carried forward to the following year.

The participation exemption also applies to participation loans, which de facto function as equity.

Under the application of the participation exemption, changes in the value of a qualifying participation do not affect the taxable income of the parent company.

If the participation exemption applies, dividends are also exempt from withholding tax (see section 1.6.2.).

From 1 May 2015, but with retroactive effect to 14 June 2013, a "compartmentalization" regime came into effect (article 28c of the Vpb). This regime provides for the formation of a reserve (a "compartmentalization" reserve) in cases where the treatment of share income changes because:

- the participation exemption becomes applicable to the shareholding (in which case a taxable reserve must be formed); or
- the participation exemption no longer applies to the shareholding (in which case an untaxed reserve must be formed).

The reserve, which is to be formed at the moment the change in the treatment takes place, is equal to the difference between fair market value and the book value of the participation. The amount of the reserve is then added to the book value. In the event income is derived that stems from before the change in treatment, the reserve is reduced by the amount of that income. The income received is, in the case of a taxable reserve, then added to taxable income. If there is an untaxed reserve, the income is exempt. Specific rules apply, inter alia, in cases of reorganizations and liquidation.

For the treatment of dividends derived by non-resident companies, see sections 6.2.1. and 6.3.1.

3. Other Taxes on Income

There are no other taxes on the income of companies.

4. Taxes on Payroll

4.1. Payroll tax

There is no payroll tax.

Employers must withhold wage tax from salaries and other taxable remuneration paid to their employees (article 6 of the LB). In addition, employers must pay tax on (i) excessive severance payments, and (ii) employment income (including bonuses) in excess of EUR 150,000. For details, see Individual Taxation section 1.9.2.

4.2. Social security contributions

Employers must pay social security contributions calculated on the total gross salaries of employees, including directors (not being majority shareholders). For 2015 the rates are (Regulation No. 2014-0000156608 and Regulation 12/12):

Contribution for	Rate [*] (%)
Health insurance (ZVW) ¹	6.95
General disability insurance contribution (WIA)	5.25
General unemployment insurance contribution (AWF)	2.07
Child care contribution	0.5

^{*} The premiums in this table are all levied over a maximum annual income of EUR 51,976.

For social security contributions payable by employees, see Individual Taxation section 3.1.

1 Before 1 January 2013, the income-dependent premium is payable by all employees.

5. Taxes on Capital

5.1. Net worth tax

There is no net worth tax.

5.2. Real estate tax

Real estate tax is levied annually by the municipalities on the owners of immovable property. The taxable base is the WOZ value (see section 1.3.4.). The tax rate differs for each municipality. Different rates may apply for commercial property and private property. Real estate tax is deductible for corporate income tax.

Upon a transfer of real estate, companies may also be subject to a transfer tax; see section 9.2.1.

5.3. Other taxes

5.3.1. Landlord charge

A tax on renting out housing applies. Subject to the tax are resident and non-resident taxpayers (i.e. landlords) who rent out more than 10 houses in the regulated housing sector (article 1.4 of the WMWII). The tax base is generally the total WOZ value (see section 1.3.4.) of the properties minus 10 times the average WOZ value of the properties. The rate is 0.449% (0.381% in 2014).

6. International Aspects

6.1. Resident companies

For the concept of residence, see section 1.2.1.

An exit tax regime applies (see section 6.1.1.).

6.1.1. Foreign income and capital gains

A resident company is subject to corporate income tax on its worldwide income and capital gains. The rules described in sections 1.3. and 1.4. generally apply.

Foreign-source business income, interest and royalties are taxable. Foreign dividends are also taxable, unless the participation exemption applies (see section 2.2.). Capital gains derived through a permanent establishment abroad are treated as business income. The participation exemption may apply to capital gains on the disposal of a qualifying participation.

The profits (and losses, see section 6.1.2.) of a foreign permanent establishment (PE) are exempt (article 15e of the Vpb). However, the exemption does not apply to passive PEs that are taxed at low rates. These PEs receive instead a (fixed) 5% credit. A foreign PE is considered a low-taxed, passive PE if the following cumulative conditions are met:

- the activities of the foreign PE, including activities of entities in which the taxpayer holds through the PE at least a 5% interest, primarily consist of passive investments, direct or indirect group financing or leasing activities; and
- the foreign PE is subject to a (statutory) profit tax that is lower than 10% (in the state where it is located).

The current exit tax regime, under which unrealized capital gains are taxed upon transfer of assets abroad (exit tax), provides that:

- the exit tax may be paid at the time of emigration;
- a deferral for payment of the tax, until the moment that the capital gains on assets are realized, may be requested; or
- the exit tax due may be paid in 10 equal annual instalments.

6.1.2. Foreign losses

Losses (and profits, see section 6.1.1.) attributable to a foreign permanent establishment (PE) of a Netherlands resident company are ignored for the corporate income tax purposes in the Netherlands (article 15e of the Vpb).

Liquidation losses of the foreign PE are deductible. However, the deductible amount is reduced by the amount of loss compensation granted by the PE country. Liquidation losses are, in principle, also deductible if the activities of the PE are sold to a third party (unless such losses can be transferred to such third party).

Liquidation losses are, however, not deductible if the activities of the PE are continued by a related company.

A recapture rule applies if, within 3 years after liquidation, the PE starts new activities. In that case, all liquidation losses are added back to the taxable profits.

6.1.3. Foreign capital

There is no net worth tax. The real estate tax is not levied on property located abroad.

6.1.4. Double taxation relief

Where none of the methods to avoid double taxation described below applies, income and withholding taxes (including local taxes) paid abroad may be deducted as expenses from the gross foreign income that is taxable in the Netherlands. As stated above in section 6.1.1., income derived through a permanent establishment abroad is generally exempt.

There is no general double taxation relief for foreign-source dividends, interest and royalties unless derived through a permanent establishment abroad (in which case exemption applies; see section 6.1.1.). However, credit relief is granted for dividends (other than those qualifying for the participation exemption; see section 2.2.), interest and royalties (including service fees) arising in certain developing countries, provided that such income is subject to income tax (including withholding tax) in the source country (article 36 of the Bvdb). No credit is granted for dividend withholding tax if the recipient is not the beneficial owner of the dividends (see section 1.6.2.). Foreign withholding taxes on royalties may also be credited if those are taxed in the innovation box (see section 1.7.7.). If the foreign taxes (whether or not withheld at source) cannot be fully credited against Netherlands corporate income tax, the credit may be carried forward.

Instead of the general exemption method, a tax credit equal to one half of the corporate income tax rate (see section 1.6.1.) applies to income mainly (i.e. more than 50%) derived through passive group finance or investment branches. Group finance activities of a foreign branch are not passive if they meet certain conditions determined by regulations of the Ministry of Finance.

Interest and royalty payments made by a non-resident conduit company are exempt from corporate income tax in the hands of a resident recipient company if the latter does not bear a sufficient risk with respect to such payments. Consequently, no relief for double taxation is available. A company is assumed to bear a sufficient risk if its equity is the lower of 1% of its outstanding loans or EUR 2 million.

Tax treaties have priority over domestic law, even if that results in a less favourable tax treatment. Under most tax treaties concluded by the Netherlands, double taxation is generally avoided by the exemption with progression method. However, the credit method applies with respect to withholding tax on dividends, interest and royalties. For a list of tax treaties in force, see section 6.3.5.

6.2. Non-resident companies

Non-resident companies are defined, for tax purposes, as companies which are neither incorporated under Netherlands law nor have their place of effective management in the Netherlands.

6.2.1. Taxes on income and capital gains

Non-resident companies are taxed on the following types of Netherlands-source income (article 17(3) of the Vpb):

- business income derived from a Netherlands permanent establishment or permanent representative;
- income and capital gains derived from immovable property located in the Netherlands;
- income and capital gains from rights related to the exploration for or exploitation of natural resources situated in the Netherlands or the Netherlands part of the continental shelf;
- all remuneration derived from a directorship of a resident entity;
- income from rights to the profits of an enterprise (bonds and shares excluded) the management of which is situated in the Netherlands; and
- income and capital gains, from debt claims related to a substantial shareholding.

For situations where there is a substantial shareholding in a resident company by a non-resident company, dividend withholding tax (15%) is levied if (one of) the main aim(s) of the shareholding is the avoidance of dividend withholding tax by a shareholder (direct or indirect) of the non-resident company.

Capital gains on the disposal of a substantial shareholding in a resident company by a non-resident company that does not hold the shares as part of its business property are subject to corporate income tax. For situations where a non-resident company derives capital gains from a substantial shareholding in a resident company, corporate income tax is levied if (one of) the main aim(s) of the shareholding is the avoidance of corporate income tax by a shareholder (direct or indirect) of the non-resident company.

Income and capital gains derived by non-residents are subject to corporate income tax at the same progressive rates as those derived by residents (see section 1.6.1.).

There is no branch profits tax in the Netherlands.

For withholding taxes on payments to non-residents, see section 6.3.

6.2.2. Taxes on capital

There is no net worth tax. Non-residents are subject to real estate tax (see section 5.2.) in respect of their immovable property located in the Netherlands.

The landlord charge (see section 5.3.) also applies to non-residents.

6.2.3. Administration

Permanent establishments of non-resident companies are taxed by assessment. For details, see section 1.8.3. For withholding taxes, see section 6.3.

6.3. Withholding taxes on payments to non-resident companies

6.3.1. Dividends

6.3.1.1. General

A final dividend withholding tax is levied on dividends, liquidation proceeds and other profit distributions, whether in cash or in kind, paid by resident companies to non-resident shareholders (article 1 of the DB). The rate is 15%, unless a reduced rate applies under a tax treaty (see section 6.3.5.).

The same withholding tax also applies to interest from participation loans (treated as dividends).

In situations where foreign-source dividends are redistributed, a credit is granted to the redistributing resident company for withholding tax levied abroad at a rate of not less than 5% on dividends received from holdings of at least 25% in non-resident companies against the Netherlands withholding tax which is payable upon redistribution of such foreign income. The distributing non-resident subsidiary must be resident in a state with which the Netherlands has concluded a tax treaty, and the resident company must be eligible for the participation exemption with respect to the received dividends (see section 2.2.). The credit for foreign withholding tax is the lower of 3% of the distributed dividend or 3% of the gross foreign dividends received. The redistributed dividends are subject to Netherlands withholding tax and are not eligible for the exemption granted to EU companies (see section 6.3.1.2.) or companies resident in the EEA (see section 6.3.1.3.). For distributions to parent companies in Iceland, Liechtenstein, Norway and Switzerland, see section 6.3.1.3.

6.3.1.2. EU Member States

Under the domestic law implementing the provisions of the EU Parent-Subsidiary Directive (2011/96/EU), dividends, liquidation proceeds and other profit distributions paid by resident companies to their EU parent companies are exempt from dividend withholding tax (article 4 of the DB).

For this exemption, it is required that the EU parent is subject to corporate income tax in its state of residence and owns at least 10% of the capital (or 10% of the voting rights under tax treaties where this criterion is used, i.e. the treaties with Germany, Ireland, Italy and the United Kingdom) of the Netherlands subsidiary. The foreign parent may not be a transparent entity and may not have a function comparable with a Netherlands taxable or exempt investment institution.

6.3.1.3. Iceland, Liechtenstein, Norway and Switzerland

The exemption also applies to companies resident in Iceland, Liechtenstein and Norway (which together with the EU Member States complete the European Economic Area, EEA) which are subject to tax and own at least 10% of the capital of the Netherlands subsidiary (article 4 of the DB).

In addition, by virtue of the EU-Switzerland Savings Agreement, the Netherlands exempts dividend payments to Swiss companies under essentially the same conditions as those of the EU Parent-Subsidiary Directive before the amendments effective from 1 January 2005; thus a minimum holding of 25% for at least 2 years is required. However, a more beneficial treatment applies under the tax treaty between the Netherlands and Switzerland: for exemption, a 10% direct holding but no holding period is required; 15% withholding tax is applied in all other cases.

6.3.2. Interest

There is no domestic withholding tax on interest, except for interest on participation loans (see section 6.3.1.1.).

6.3.3. Royalties

There is no domestic withholding tax on royalties.

6.3.4. Other

There are no other domestic withholding taxes on payments to non-resident companies.

6.3.5. Withholding tax rates chart

[See Netherlands - Treaty Withholding Rates Table, Quick Reference Tables IBFD.](#)

7. Anti-Avoidance

7.1. General

There are two different general anti-avoidance rules, i.e. the just levy procedure (article 31 of the AWR) and the abuse of law doctrine (developed through case law). In practice, only the abuse of law doctrine is applied as it is considered the more effective.

Under the abuse of law doctrine, the tax authorities may disregard a legal transaction or a series of legal transactions if the following conditions are met:

- the principal motive for entering into the transaction(s) is the avoidance of tax; and
- by entering into the transactions, the taxpayer violates the purpose and objective of the tax legislation.

7.2. Transfer pricing

Where transactions between a parent and a subsidiary, or between sister companies, take place, a non-taxable capital contribution or a non-deductible profit distribution is assumed if such transactions are not considered to have taken place at arm's length (article 8b of the Vpb). A relationship in this respect can be based on shareholding, management or supervisory activities. There is no quantification of the shareholder relationship, the management relationship or the control relationship: it must be ascertained that there is sufficient power for the parties (or person) to influence or control the transfer pricing of intercompany transactions.

Such a transaction (distribution) is also subject to dividend withholding tax (which may be reduced by a tax treaty). An advance ruling may be requested on acceptable transfer prices. Moreover, taxpayers may enter into an agreement with the tax authorities for the determination of binding transfer prices in cross-border transactions between related parties (see section 1.8.4.).

7.3. Thin capitalization

The thin capitalization rules described below are abolished with effect from 1 January 2013. For the current restrictions on interest deduction, see section 1.3.3.1.

The deduction of interest was restricted with regard to loans provided by a taxpayer to a group company or related company excessively financed by debt capital. The term "group company" was defined as a company that was part of an economic unit in which legal entities were linked organizationally. The term "related company" was defined as a company in which the taxpayer had a participation of at least one third or a third company that held a participation of at least one third in the taxpayer.

A company was deemed to be excessively financed by debt capital if its average annual debt exceeded a 3:1 debt/equity ratio for tax purposes and the excess was greater than EUR 500,000. Equity was determined in accordance with Netherlands tax law and did not include tax-allowable reserves. Companies could, however, opt that the excessive debt was determined by multiplying the difference between the average annual debts and the average annual equity using a multiplier based on the commercial debt/equity ratio of the group. The multiplier was equal to the average annual debts divided by the average annual equity as included in the consolidated accounts of the group.

The maximum non-deductible interest was the amount of the interest paid on loans provided by related companies less the interest received from related companies on loans provided to those companies.

The thin capitalization rule applied to resident companies, non-resident companies with a permanent establishment in the Netherlands and foreign permanent establishments, which are treated as a distinct and separate entity.

In calculating double taxation relief of a permanent establishment, the amount of non-deductible interest was determined on the basis of the debt/equity ratio of the permanent establishment. The disallowed interest calculated for claiming relief for the profits of the permanent establishment could not exceed the interest disallowed in calculating the taxpayer's taxable income. Furthermore, intra-group interest on certain debt claims relating to unpaid dividends, unpaid contributions of capital or intra-group restructuring was not deductible (see section 1.3.3.2.).

7.4. Controlled foreign company

There is no CFC legislation.

8. Value Added Tax

8.1. General

Value added tax is a general tax on supplies of goods and services made in the Netherlands (article 1 of the OB). VAT is imposed on all supplies of goods and services made by entrepreneurs at every stage of the production and distribution process. In order to prevent accumulation of the tax at subsequent stages, the general principle of the VAT mechanism is that entrepreneurs are entitled to deduct the VAT paid on the purchase of goods and services, which they use for taxable business purposes (input VAT), from the VAT due on supplies of goods and services made to third parties (output VAT).

8.2. Taxable persons

Taxable persons are, in general, all entrepreneurs (article 7 of the OB). “Entrepreneur” is defined as any person who independently carries out a business activity, which includes liberal professions and the exploitation of tangible or intangible assets for the purpose of obtaining income therefrom on a permanent basis.

Natural persons and legal entities that qualify as entrepreneurs and are established in the Netherlands, or have a fixed establishment there, are treated as a single entrepreneur (VAT group) if they are closely related to one another by means of financial, organizational and economic links.

For non-resident companies supplying goods or services in the Netherlands, *see* section 8.7. No registration threshold exists.

With effect from 1 January 2015, entrepreneurs supplying electronic services in various EU Member States have the option to apply for a Mini One-Stop Shop (MOSS) system to avoid the need for registration in each of the Member States separately. Under the MOSS system, entrepreneurs who supply telecommunications, broadcasting and electronic services (TBE services) to consumers in Member States in which they do not have an establishment may account for the VAT due on those supplies via a web portal in the Member State of establishment. Entrepreneurs who opt to apply the MOSS regime are obliged to apply it for all B2C supplies of TBE services in Member States in which they do not have an establishment.

8.3. Taxable events

The following events are taxable (articles 3 and 4 of the OB):

- the supply of goods and services in the Netherlands by an entrepreneur in the course of a business;
- the intra-Community acquisition of goods in the Netherlands by an entrepreneur in the course of a business or by a legal entity that is not an entrepreneur;
- the intra-Community acquisition in the Netherlands of new means of transport by any person;
- the import of goods from outside the European Union into the Netherlands;
- the supply of electronic services (e-commerce) to a resident company by a non-resident company (*see also* section 8.2.);
- the supply of electronic services (e-commerce) to an individual or entity that is not an entrepreneur from a country outside the European Union; and
- the supply of services by an entrepreneur established in another EU Member State to an entrepreneur established in the Netherlands or a legal entity that is not an entrepreneur.

8.4. Taxable amount

The taxable amount is the consideration received (excluding VAT) for taxable supplies of goods and services or the value at importation including customs duties (article 8 of the OB). The consideration includes the value of services directly connected with the transaction, e.g. costs of insurance, transport and commissions. It does not include discounts granted by the supplier to the customer and transitory expenses (e.g. taxes and fees due on the use of the supplied goods).

In computing the final tax liability, the input tax on purchases of goods and services may be deducted or refunded, so that, in effect, only the value added is taxed.

8.5. Rates

The standard rate is 21%. A reduced rate of 6% applies to basic goods and services (article 9 of the OB).

For the period 1 March 2013 until 1 July 2015 (originally until 31 December 2014), the reduced 6% rate also applied to the rebuilding, renovation and repair of owner-occupied dwellings (including the expenses of architects, gardeners). The rate only applied to the labour costs associated with these works performed on owner-occupied dwellings that were more than 2 years old at the time the work was performed.

Exports and certain services rendered in connection with exports are zero-rated. The export of electronic services to customers outside the European Union is also zero-rated.

8.6. Exemptions

The supply of newly constructed immovable property is exempt when it takes place at least 2 years after the first actual use (article 11 of the OB). Thereafter, an option is available to make such transactions subject to VAT. Further exemptions include the supply of social and cultural goods and services, the supply of insurance services, financial services and, under conditions, health services. Public education is exempt under certain conditions. The transfer of a whole or a part of a business is exempt if the transferee continues the business.

8.7. Non-residents

Non-residents are taxable in the same manner as resident taxpayers if they carry out any taxable transactions in the Netherlands (see section 8.3.). Generally, non-resident entrepreneurs must register with the VAT authorities. Upon registration, the non-resident entrepreneurs receive a VAT identification number which they must use for taxable transactions in the Netherlands. Furthermore, non-resident entrepreneurs must pay VAT on a periodic VAT return.

In situations where non-resident entrepreneurs supply goods to entrepreneurs and organizations established in the Netherlands, the reverse charge mechanism applies. Under the reverse charge mechanism, the supplier does not charge the VAT due on the supply of goods to the customer but, instead, the customer must account for VAT through his periodic VAT return on the value of the received goods. In these cases, the non-resident suppliers do not have to be registered in the Netherlands, unless they supply goods to private individuals.

Netherlands VAT is refunded to non-resident entrepreneurs in the following three ways:

- (1) a non-resident entrepreneur who is established in another EU Member State and who does not make taxable supplies in the Netherlands may ask for a refund of Netherlands VAT on the basis of Directive 2008/9. Such application must be filed electronically via an electronic portal provided by the tax administration of the state of residence;
- (2) a non-resident entrepreneur who is established outside the European Union and who does not make taxable supplies in the Netherlands may ask for a refund on the basis of the Thirteenth VAT Directive; and
- (3) a non-resident entrepreneur who has a VAT identification number in the Netherlands may deduct input VAT on his Netherlands VAT return.

With effect from 1 January 2015, entrepreneurs supplying electronic services in various EU Member States have the option to apply for a Mini One-Stop-Shop (MOSS) system (see section 8.2.).

9. Miscellaneous Taxes

9.1. Capital duty

There is no capital duty or similar duty on the formation and expansion of capital of companies.

9.2. Transfer tax

9.2.1. Immovable property

A transfer tax is levied on the acquisition of the legal and economic ownership or certain rights on immovable property in the Netherlands (article 2 of the WBR). The taxable base is, in general, the fair market value of the acquired property. The minimum base, however, is the consideration paid. The rate is 2% for owner-occupied dwellings and 6% in other cases.

The acquisition of shares in a real estate company is also subject to this tax if the acquisition gives the acquirer a substantial interest in that company. A real estate company is a resident or non-resident company whose purpose or actual activity is to invest in real estate or real estate rights and 50% or more of whose assets consists of real estate (or real estate rights) of which at least 30% is located in the Netherlands. A substantial interest is deemed to exist if the acquirer owns, directly or indirectly, at least one third of the subscribed share capital of the real estate company.

Various transfers are exempt, the most important being (article 15 of the WBR):

- transfers upon various corporate reorganizations;
- transfers of real estate, rights on real estate, or economic ownership of real estate in the context of a legal merger;
- transfers of newly constructed buildings if the transfer is subject to (non-deductible) VAT (if a building is transferred within 6 months following first use or rent, this exemption also applies if the VAT can be (partially) deducted);
- transfers because of the death of the owner;
- transfers subject to gift tax; and
- transfers of business property from the grandparent or parent to children, stepchildren, foster children and grandchildren.

The tax is payable by the buyer and the public notary adds the transfer tax to the selling price and collects it from the buyer in order to pay it to the tax collector.

9.2.2. Shares, bonds and other securities

There is no transfer tax on securities other than shares in real estate companies (see section 9.2.1.).

9.3. Stamp duty

There are no stamp duties.

9.4. Customs duty

Customs duties are no longer levied on goods imported from other EU Member States. The duties which are still levied (on goods imported into the Netherlands from outside the European Union) are no longer Netherlands taxes since they have been replaced by a Community tax governed by the EU common customs tariff.

9.5. Excise duty

Excise duties are levied on various types of commodities, such as beer, wine, spirits, cigarettes and other tobacco products, and mineral oil.

Marnix Schellekens, Netherlands – Corporate Taxation, IBFD (accessed 27 January 2016)