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DUTCH FINANCIAL AND TAX MEASURES IN RESPONSE TO THE CORONAVIRUS

The Dutch and international business community will be significantly affected by the coronavirus. The financial and economic consequences may also be considerable. As a result, in its letter of 12 March 2020, the Dutch government announced a number of measures that will hopefully give businesses some room to deal with the developments. We will briefly discuss a number of measures below.

Part time unemployment benefits

The so called 'part time unemployment benefits' (Werktijdverkorting), a benefit granted by the Dutch authorities, is a measure that companies can apply that have a temporary loss of working hours due to a calamity. Businesses that are impacted by the coronavirus could qualify for this already existing measure. In order to qualify, the calamity should result in a loss of working hours for at least two weeks and maximum 24 weeks, whereby at least 20% of the employees must be out of work. For these employees part time unemployment benefits can be requested which means that they are eligible for the Unemployment benefit (WW-uitkering). This is on the condition that the relevant employees have accrued an entitlement to the Unemployment benefit. Please note that further additional conditions apply.

Self-employed persons / Freelancers are not considered employees and unfortunately cannot apply for the part-time unemployment benefits. They could however apply for specific aid based on the Social Assistance (Self-Employed Persons) Decree 2004 (Besluit Bijstandverlening Zelfstandigen 2004) and granted by the Dutch authorities. To do this, they must apply at the municipality where they are registered.

Extension of payment in respect of taxes

The Dutch tax authorities will grant extension of actual payment for VAT, personal income tax, Dutch wage tax and Dutch corporate income tax, on the condition that the taxpayer substantiates in writing that it has payment difficulties due to the coronavirus.


The collection of taxes will be ceased after receiving such a request by the Dutch tax authorities. At a later moment the Dutch tax authorities will perform an individual assessment in order to verify whether the taxpayer complies with the relevant conditions. For completeness' sake, please note that the common conditions for a payment arrangement may also apply, such as providing securities.

No default penalty

In the coming period, the Dutch tax authorities will refrain from imposing default penalties for not paying the above taxes or for the late payment of such taxes. Moreover, the Dutch tax authorities will reverse any default penalties if they were already imposed in respect of the above taxes in the coming period.

Request to reduce provisional assessments

Companies that expect a reduced profit or even a loss due to the coronavirus, may apply for a reduced provisional Dutch



corporate income tax or personal income tax assessment. Such a request needs to be filed electronically and will be automatically granted by the Dutch tax authorities according to the Dutch government.

Easing of the Government-guaranteed scheme for loans to small and medium-sized enterprises

The State Secretary of Economic Affairs and Climate aims to temporarily ease the so called 'Government-guaranteed scheme for loans to small and medium-sized enterprises' (Verruiming Borgstelling MKB-kredieten) (BMKB), ultimately in the end of March.

Under the BMKB, the Dutch government provides additional security in respect of companies that take out a loan, but which cannot provide sufficient security themselves to the loan issuer (mainly banks). It is now being considered to increase the percentage for which the government could provide additional security in such cases.

Under the current general legislation, the security of the government is 90% of 50% of the credit that a lender (often a bank) provides. Under the present measure, the percentage is increased from 50% to 75%. In addition, several other measures will be eased. Such measures will probably apply until 1 April 2021. It is announced that the State Secretary will provide further detailed information by the end of March.

Additional measures under current legislation

Next to the earlier discussed Corona measures, the current legislation may also provide additional possibilities to mitigate the financial and tax consequences for your business. We recommend assessing this on a case-by-case basis.

More information?

Please contact your RSM advisor to further discuss which measures may be relevant for you and your business.