



NEWS INTERNATIONAL

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Dear Sir or Madam,

As a Dutch tax advisor, I would like to introduce you to some principles that you would have to follow when posting employees to the Netherlands. This can be e.g. a work assignment on a construction site and/or a project-related work assignment.

Payroll tax

As a rule, employees in Germany receive a payslip on the basis of which German payroll tax will be withheld from the gross salary. However, if an employee works in the Netherlands, you should check whether the payroll tax withholding obligation shifts to the Netherlands. The Dutch Ministry of Finance is of the opinion that payroll tax in the Netherlands is payable from day one, provided that the employer has an economic employer status in the Netherlands. In such a case, the employee concerned will be assigned a Dutch tax number.

Social security contributions

Regulation (EC) No. 883/2004 on social security applies within the EU/EEA Member States. On this basis, it is possible that the posted employee remains in the social security system of their country of origin. It is important that employer and employee jointly apply for the Posting Certificate A1. This A1 certificate specifies the place of work and the period of posting. As a rule, in the case of a temporary work assignment in the Netherlands, the social security contribution obligations can be effected in Germany for a maximum of 24 months.

Liability risk

Even if you, as a client, do not post staff yourself, but hire a subcontractor's personnel in the Netherlands (for example, on a construction site in the Netherlands), you are liable as the client for the correct discharge of the payroll tax by the subcontractor (so-called "chain liability"). To avoid this risk, it is necessary to devise appropriate measures.

WAADI (Dutch Posting of Personnel by Intermediaries Act) registration for posting/temporary employment

In case of the posting of employees on an hourly basis, the client must carry out a so-called WAADI registration. For this purpose, the employer from Germany is registered with the Dutch Chamber of Commerce. This makes it easier for the competent authority to control which foreign employees work in the Netherlands.

Minimum obligations for employees (WagwEU Terms of Employment Posted Workers in the European Union Act)

When posting workers to the Netherlands, it should be noted that the employment has certain minimum requirements. This concerns, for example, the minimum wage, the statutory holiday entitlement, adequate rest periods and safe working conditions. In addition, it must be examined whether a collective agreement applies.

If you intend to post employees to the Netherlands, either yourself or through a subcontractor, we will always be at your disposal to advise you in detail on tax and other legal obligations and to assist you with the settlement.

Best regards



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Arjen Tompkins LL.M. B.ec. is the Dutch tax adviser of the accon avm, one of the leading auditing and tax consulting firms in the Netherlands. Mr Tompkins works in the Veenendaal office (near Arnhem).

Mr Tompkins has been a lecturer at the DNHK (German-Dutch Chamber of Commerce) for many years and holds seminars on Dutch VAT issues in German.

For several years, Mr Tompkins has been working intensively on advising German clients and consults foreign companies on Dutch tax law. His extensive clientèle includes many German clients, including some of the largest German construction companies.

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Company presentation

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