

Checklist Starting up your business in the Netherlands

When entering the Dutch market it depends on the situation whether you (want to) create a permanent establishment or not. A lot of companies want to avoid a permanent establishment situation (situation 2) due to accounting, legal and tax reasons. When you are a foreign company and employing only a few employees it is possible to avoid the situation of a permanent establishment (situation 1). But you have to keep a few important rules in mind:

- Be sure that the employee is no statutory director
- Be sure that the employee has no signing and binding powers or can conclude deals

Situation 1. Hiring Dutch employees (no tax presence in the Netherlands)

1. Apply for a (wage) tax registration number (application via the Dutch Tax Authorities)
2. Draw up a labour agreement
3. Arrange the monthly pay roll, wage tax filing and tax representation
4. (optional) Filing VAT returns

Situation 2. Starting a business in the Netherlands and creating a permanent establishment

1. Enter into a rental agreement for office space or create a Dutch legal entity via the notary office
2. Register at the Chamber of Commerce
3. Apply for a wage tax registration number (application via the Dutch Tax Authorities)
4. Draw up a labour agreement
5. Arrange the monthly pay roll and wage tax filing
6. Reporting to the Dutch Tax Authorities and including the VAT returns
7. Annual accounting and payroll reporting

One stop shopping

De Gier Stam lawyers (www.degier-stam.nl) and Care4HR gladly help you setting up your business in the Netherlands. We provide the following services:

- Labour agreements, corporate regulations and support with labour law issues
- Payroll and wage tax filing
- Application of wage tax registration numbers
- VAT returns
- 30% tax credit rulings and tax deductions
- Human Resources support

We can also support you with insurances, pension plans and selecting an accounting and/or notary office.