

Budget Day was here again. The government submitted the Tax Plan with the tax measures for 2025 to the Lower House of Parliament. Here you will find an overview of the measures included in the Tax Plan.



See
www.meijburg.com
for more
information about
the 2025 Tax Plan

Main features of the 2025 Tax Plan

1. Corporate income tax

- Earnings stripping measure percentage increased to 25% of the EBITDA for tax purposes.
- Threshold of € 1 million in earnings stripping measure canceled for real estate entities with property leased to third parties.
- Exemption from debt relief income tax amended in connection with overlap loss set-off.
- Qualifying Pillar 2 additional tax counts for subject-to-tax test in anti-abuse provisions.
- Source exemption for profit from disregarded permanent establishment, insofar as that profit is taxed in the other state.
- End of donation deduction for corporate income tax purposes.
- GAAR ('General Anti-Abuse Rule') in ATAD1 enshrined in law.

- Changes to adjusted acquisition cost and holding company rule in liquidation loss scheme.
- Technical changes in connection with Legal Forms Tax Qualification Policy Act.

2. Withholding taxes

- Repurchase tax relief in dividend tax retained.
- Cooperating group for withholding tax purposes replaced by qualifying unit.
- Optional withholding exemption in dividend tax will be replaced by mandatory exemption.
- Clarification that registration date for dividend tax purposes only determines *when* dividend is received, not by whom.

3. Minimum tax

- Various elements from the 2023 administrative guidelines to be included in the Minimum Tax Act 2024, mostly with retroactive effect to December 31, 2023.

4. Personal income tax

- Rate up to and including € 38,441 increased to 35.82%. Thereafter 37.48% up to and including € 76,817. Above € 76,817 rate is 49.50%.
- Top Box 2 rate back to 31% as of 2025.
- 'Donations by the company' rules to end as of 2025.
- Part of general tax credit to be paid to second-income partner.

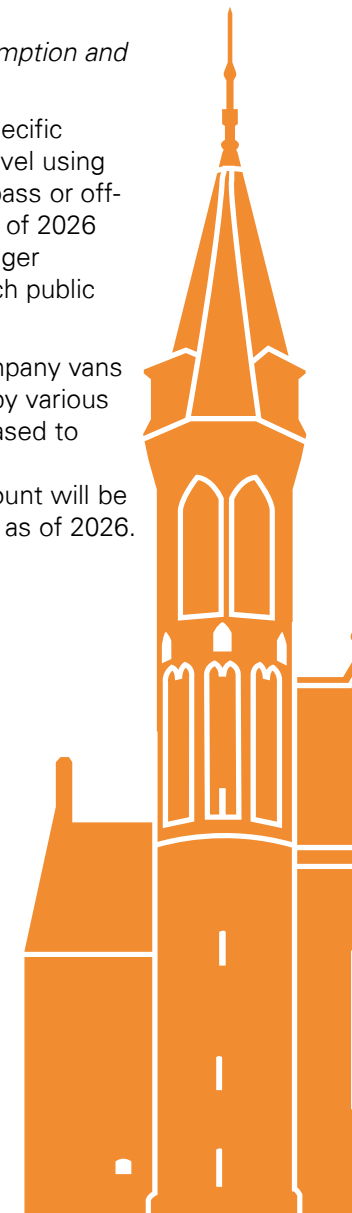
5. Payroll taxes and social security contributions

30% ruling

- Scaling back of 30% ruling will largely be reversed. As of 2027 maximum tax-free allowance set at 27%.
- For 2025 and 2026 the allowance for incoming employees stays at 30%.
- Transitional rules for employees who were already using 30% ruling before 2024.

Public transport exemption and company van

- Clarification of specific exemption for travel using public transport pass or off-peak pass and as of 2026 exemption no longer restricted to Dutch public transport.
- Final levy for company vans used constantly by various employees increased to € 438 per annum (was € 300). Amount will be inflation adjusted as of 2026.





Main features of the 2025 Tax Plan (continued)

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6. VAT

- Reduced VAT rate for accommodation to end as of 2026.
- Reduced VAT rate for many cultural goods and services to end as of 2026.
- VAT deduction on immovable property services for immovable property taken into use as of 2026 must be revised if necessary over a 4-year period after taken into use.

7. Procedural law amendments

- Objection, appeal and cassation appeals possible against decision by Netherlands Enterprise Agency on MIA and VAMIL.
- Expansion of cases in which extended additional tax assessment deadline applies for tax credit that should not have been granted.

- Penalty provisions General Customs Act brought into line with penalty provisions General Taxes Act.
- Will now be possible to set different rates for interest on tax due and the interest to be refunded by an Order in Council.
- From now on, extended deadline for penalties for taxpayers and withholding agents will also apply to co-perpetrators, perpetrators, instigators and accomplices.

8. Business succession schemes

- As of 2025 business succession schemes only for 5% interest in 'ordinary shares'. Class shares no longer qualify. Dilution arrangement retained.
- Relaxation of holding period for reorganizations, relaxation of and shortened continuance period after three years.

- Longer holding period for elderly people who start or acquire a business.
- Business succession scheme carousel tackled.
- Effective date of expanded dilution arrangement and introduction of family rules for minor interests postponed until Royal Decree and approval by European Commission.

9. Real estate transfer tax

- Real estate transfer tax rates adjusted, expanded and examined. 8% rate for homes of investors will not take effect until 2026.

10. Taxes and the environment

- Energy tax on natural gas reduced.
- Energy tax reduction increased.
- Introduction of separate energy tax rate for hydrogen.
- End of netting scheme for low-volume users (2027).

- Changes in CO₂ tax on industrial emissions waste incineration plants.
- Waste tax reduced.
- Coal tax exemptions to end.
- Changes to climate measures for glasshouse horticulture.

11. Tax Plan miscellaneous

- Various provisions adapted to be in line with simplified direct side-step merger.

