

Class action against interest on tax due

On February 7, 2025 the Deputy Minister of Finance decided to designate as a class action four categories of notices of objection against interest on tax due that had been charged. In short, since October 1, 2021 a low and a high rate for interest on tax due apply. The class action relates to the high interest on tax due rate applying:

- as of October 1, 2020 for corporate income tax and withholding tax;
- as of January 1, 2022 for the solidarity contribution;
- as of January 1, 2024 for the minimum tax; and
- as of January 1, 2025 on the share in the profit under the Mining Act.

Recently, the Dutch tax authorities have received approximately 6,000 notices of objection against interest on tax due charged for corporate income tax purposes; this in response to the [judgment](#) by the Noord-Nederland District Court, in which this interest on tax due was reduced from 8% to 4% (see also our [memorandum](#) of November 7, 2024). The Deputy Minister of Finance is appealing this judgment before the Dutch Supreme Court. The cassation proceedings before the Supreme Court are still ongoing.

The large number of notices of objection are creating capacity problems at the Dutch tax authorities. The 'class action' designation means that all notices of objection, both submitted and those still to be submitted against the relevant interest on tax due, will be dealt with together. After the Dutch Supreme Court has ruled on the questions formulated by the Deputy Minister, a single judgment will be rendered on all the submitted notices of objection falling under the class action.

To participate in the class action, taxpayers must act promptly against the interest on tax due charged. This means that a notice of objection still has to be submitted against the interest on tax due charged on tax returns and that a review of the interest on tax due charged on provisional assessments must be requested on time. After the notice of objection has been submitted, the outcome of the class action proceedings can be awaited.

The proceedings pending before the Supreme Court concern interest on tax due charged for the period January 1, 2022 through December 31, 2023. The rules under which the rate for interest on tax due is set were amended as of January 1, 2024. A second test case procedure may follow to address the interest on tax due rate for this period. The class action only applies to the aforementioned taxes and therefore not to the interest on tax due charged on other taxes, such as personal income tax.

Do you have any questions or need help? Feel free to contact your advisor at KPMG Meijburg & Co.

KPMG Meijburg & Co
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information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.