
ACCESS FINANCIAL
YOUR RELIABLE PARTNER
IN THE NETHERLANDS

Contractors choose Access Financial to work in the Netherlands to be certain that their legal, employment and financial interests are fully and competently looked after.

Contracting in the Netherlands is governed by some of the most stringent regulations in Europe.

In case of unpaid taxes and social security contributions, the Dutch authorities can go up and down the contractual chain and hold any party, including the contractor and his end client, liable for any non-compliance.

AFI Netherlands B.V. (AFI) will act as the employer in the Netherlands and make sure that the contractor is fully compliant with the relevant Dutch legislation. AFI is registered with the Dutch Chamber of Commerce (*Kamer van Koophandel*) as a local labour-leasing company.

By using AFI, contractors can concentrate on their job and leave everything else in the safe hands of experts in the Dutch market.

FEATURES

- Legal and compliant employments through our registered Dutch labour leasing company, AFI Netherlands B.V.
- Payment of all taxes and social security from Day 1.
- Protection for contractors and their end clients against the 'Dutch Chain Law'.
- Access is insured in the Netherlands with a €5,000,000 cover for employers' and business liability.
- Generous expense allowance (30% Ruling), subject to eligibility, or ability to claim the actual extraterritorial costs of living in the Netherlands.
- Complete immigration services for non-EU/EFTA nationals, including entry visa, work permit, residence permit and Dutch fast track work permit scheme for highly skilled workers (KMR – Knowledge Migrant Ruling), subject to eligibility.

BENEFITS

- Highest possible retention using relevant Dutch legislation, including:
 - » 30% of the gross income exempted from the tax and social security.
 - » Relocation allowance - claimed up to EUR 7,750 in addition to the 30% Ruling.
- We are a labour-leasing and payroll company, not a recruitment agency, so we act solely in the contractor's interest.
- Single point of contact, so contractors can focus on their job.
- Extensive expertise in Dutch tax and social security issues.
- Efficient and low cost in-house immigration services.



WHY ACCESS FINANCIAL?

- **Long experience:** 10 years' experience of the Dutch and international markets with currently more than 1,200 contractors.
- **Extensive know-how:** Access Financial has 100 staff and seven offices in six countries. It has worked with more than 1,900 recruitment businesses, more than 3,800 end clients and has assisted more than 10,000 contractors.
- **Value for money:** most competitively priced employment solution in the Dutch market.
- **Attractive fees,** charged only when the contractor is working.
- **On-time payments:** our comprehensive Service Level Agreement (SLA) is the most client-focused in the business. We invoice your recruiter or end client within one working day of receipt of your approved timesheet; and on receipt of funds, you are paid the next working day.
- **On-line portal:** Access Financial's exclusive online portal, Fortuna, is available 24/7 to provide real-time compliance, financial and administrative information.
- **Multi-lingual support** in Dutch, French, German, English and 20+ other languages.
- **International expertise:** Access Financial can provide recruiters and contractors with employment, tax and social security solutions in some 60 other countries.

This unique mix of features and benefits makes AFI the best choice for all contractors who want to work compliantly and efficiently in the Netherland and benefit from the maximum income retention legally possible.



REQUIREMENTS FOR WORKING IN THE NETHERLANDS

LOCAL REGISTRATION

Contractors intending to stay in the Netherlands for more than 4 months must register at the local commune within 5 days of arrival.

Contractors must de-register with the local commune when leaving the Netherlands.

KMR (KNOWLEDGE MIGRANT RULING)

This ruling allows non-EU highly skilled employees to work in the Netherlands under a special residence permit rather than a work permit.

AFI has the KMR licence to fast-track the hiring of eligible highly skilled non-EU/EFTA migrant workers. The KMR residence permit can take between 2 and 5 weeks.

COLLECTIVE LABOUR AGREEMENT FOR TEMPORARY AGENCY WORKERS

AFI's employment is regulated by the Collective Labour Agreement (CAO) agreed between the Federation of Private Employment Agencies (ABU) and the trade unions to cover the working conditions and benefits of contractors employed on behalf of Dutch end clients.

CAO's provisions are often more generous than statutory requirements, providing further assurance that AFI offers contractors the highest quality service and security.

For further information on ABU, please visit <http://www.abu.nl/engels/brochures/brochures>

HEALTH INSURANCE

Contractors living or working in the Netherlands are obliged by law to take out a health insurance to protect against the financial risks of illness and hospital admission. Unless the contractor is already covered, AFI will arrange for the health insurance and deduct the cost in the payroll.

PROFESSIONAL INDEMNITY INSURANCE

We require all contractors to hold a Professional Indemnity Insurance (PII) to protect against claims for professional errors or negligence. End clients can claim compensation if contractors are found in breach of terms of service. We offer contractors cover worldwide (excluding the USA and Canada) up to EUR 5 million at competitive rates to safeguard against breach of professional duty, negligent act, negligent error, negligent omission, negligent misstatement or negligent misrepresentation.

SOCIAL SECURITY

Social security is obligatory for all workers employed in the Netherlands. Contributions will be paid through AFI's payroll unless the contractor holds an A1 Certificate. This certificate allows the contractor to continue paying in the home country, normally for a maximum of 24 months.

Contractors from non-EU/EFTA countries with which the Netherlands has signed social security treaties could also be fully or partially exempt from paying Dutch social security contributions.

REQUIREMENTS FOR WORKING IN THE NETHERLANDS

STIPP (DUTCH MANDATORY OCCUPATIONAL PENSION SCHEME)

The Stipp pension scheme is compulsory for everyone who works in the personnel services sector as a temporary employee of a payroll company or secondment agency.

AFI offers employees two pension options, the Basic Plan and the Plus Plan.

BASIC PLAN

The Basic Plan starts from the 26th week of a contractor's continuous employment with AFI and ends after the 78th week. The 2.6% premium is paid by AFI from the contractor's all-inclusive rate.

PLUS PLAN

The Plus Plan starts from the 79th week of employment. The contributions amount to 12% of the average monthly gross salary, 8% paid by the employer and 4% by the employee.

The amount built up in the pension account (pension capital) can be paid by Stipp when the employee stops working but is taxable if withdrawn before retirement age.

EXPENSES

Contractors working in the Netherlands are entitled to claim tax deductible expenses, including extraterritorial costs, relocation allowance and commuting expenses. Extraterritorial expenses can be claimed either as a flat 30% rate (30% Ruling) or as actual invoiced expenses up to 50% of the gross income.

30 PER CENT RULING

The 30% Ruling is applied at the discretion of the Dutch tax authorities to foreign employees earning a minimum of EUR 52,288 per year or EUR 40,340 if under 30 years of age and holding a Master's degree.

Under the 30% Ruling, no proof of expenditure is required and the extraterritorial flat rate expense allowance is exempt both from tax and social security. Contractors approved for the 30% Ruling cannot claim any further extraterritorial expenses, though they are still eligible for other allowances.

AFI will apply for the 30% Ruling on behalf of the employee. Initially, taxes and social security will be paid on the full income until approval is received. Then, the 30% Ruling is applied retrospectively from the start of the contract.

EXTRATERRITORIAL EXPENSES

Extraterritorial expenses are the additional costs that contractors incur in connection with working in the Netherlands. These can include:

- Travel to the Netherlands to look for a house or a school.
- Applications for official personal documents, such as residency permit, visa and driver's licence.
- Medical tests and vaccinations necessary for the duration of stay in the Netherlands.
- Double accommodation if the contractor keeps a residence in the home country.
- Learning the Dutch language for the contractor and his family living in the Netherlands.

All claims must be supported by actual expense receipts.

REQUIREMENTS FOR WORKING IN THE NETHERLANDS

RELOCATION ALLOWANCE

In addition to the 30% Ruling, contractors who have moved to the Netherlands can benefit from an allowance to meet the cost of relocating when they arrive and also when they eventually depart.

The relocation allowance, to a maximum of EUR 7,750, must be agreed in advance and mentioned in the employment contract. It should be also shown separately in the payslip upon payment. It is paid during the initial months of employment as a reduction in the contractor's monthly gross salary.

It is paid only if the expenses are supported by the actual receipts, evidence about the old address, and a copy of the rental agreement of the new address. Please note that a hotel's address cannot be used.

The relocation allowance is not applicable to cross-border contractors who regularly commute into the Netherlands from the neighbouring countries.

COMMUTING EXPENSES

Employees with a fixed place of work can receive an allowance for both commuting and business travel. Allowances of EUR 0.19 per kilometre are free of taxes and social security contributions. If an allowance exceeds EUR 0.19 per km, the Dutch tax authorities will tax the difference. For travel by public transport, the employer can choose to pay EUR 0.19 per km free of tax or reimburse the actual travelling expenses free of tax. Employees must provide monthly travel log-books to their employer and also keep a copy for future reference.

OTHER EXPENSES

Additional claimable expenses can include:

- Fees for an international school
- Costs of travel to the work country to familiarise with the business
- Costs of the application for or conversion of a work permit
- Cost of the telephone rental
- Costs of business meals

AFI will assist contractors in claiming all relevant and legally allowed expenses in order to maximise their net retention.

TAXATION

Dutch tax residents are liable to pay taxes in the Netherlands on their worldwide income. Income tax returns must be filed by the 1st April of the following tax year. AFI's experienced staff will assist the contractors in completing the year-end tax return.

Dutch residents pay income tax at the rate of 36.25% up to EUR 19,822; 42% between EUR 19,822 and EUR 57,585; and 52% for incomes above EUR 57,585.

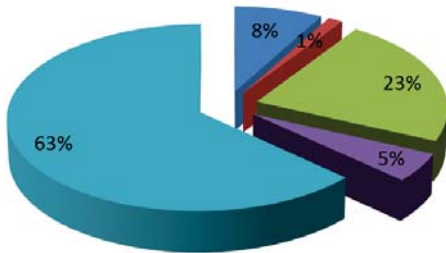
DOUBLE TAXATION AGREEMENTS

The Netherlands has Double Taxation Agreements (DTAs) with 75 countries. The Double Taxation Agreement between the Netherlands and the contractors' home country will serve to avoid the same income being taxed twice.

REQUIREMENTS FOR WORKING IN THE NETHERLANDS

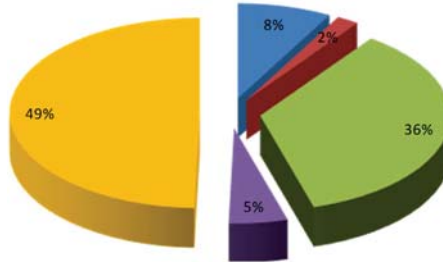
RETENTION

Employed Solution With 30% Ruling



- Employer Social Security Contribution
- Employer StiPP Contribution (Basic Plan)
- Wage Tax
- Management Fee
- Net Salary

Employed Solution Without 30% Ruling



- Employer Social Security Contribution
- Employer StiPP Contribution (Basic Plan)
- Wage Tax
- Management Fee
- Net Salary



Contact us:

We would be delighted to hear from you and tell you more about our services and how we can help you and your agency with contracting matters in the Netherlands and elsewhere

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