

Key figures 2020

Box I Income tax / national insurance on income from home and work

A progressive income tax rate applies on income from home and work, this includes a.o. income from entrepreneurial activities, salary and pension income, alimony received and (negative) income from the principal residence.

In Box I, national insurance premiums are also levied in the first bracket. When someone reaches the state pension age, no contributions are due anymore for the "AOW" (state pension). This applies from the month in which he/she turns 66 years and 4 months (i.e. state pension age for 2020).

A) Below AOW-age

Income	Income tax	National insurance	Combined rate
≤ € 34,712	9.70%	27.65%*	37.35%
> € 34,712 - € 68,507	37.35%	-	37.35%
> € 68,507	49.5%	-	49.5%

* Dutch national insurance consist of AOW (state) pension (17.9%), ANW (0.1%) and WLZ (9.65%).

B) AOW-age (born before 1-1-1946)

Income		Income tax	National insurance	Combined rate
Born < 1-1-1946	Born 1-1-1946 - 1-1-1953			
< € 35,375	< € 34,712	9.70%	9.75%*	19.45%
≤ € 35,375 - € 68,507	≤ € 34,712 - € 68,507	37.35%	-	37.35%
> € 68,507		49.5%	-	49.5%

* Dutch national insurance consist of ANW (0.1%) and WLZ (9.65%).

Box II Income tax on income from substantial interest

The flat income tax rate in Box II is 26.25% on regular and alienation benefits from a substantial interest.

Box III Income tax on income from savings and investments

A flat income tax rate of 30% is applied to the deemed return on investment income (ROI). The ROI is determined by means of two ratio's (one low (0.06%) and one high (5.33%)) that are multiplied with the corresponding percentages per the applicable progressive bracket scheme (please see below). These are applied to the net asset value. An exemption of € 30,846 (or € 61,692 for fiscal partners) applies.

Bracket	Net asset value (after exemption)	ROI 1 – 0.06%	ROI 2 – 5.33%	Effective rate
1	< € 72,797	67%	33%	0.54%
2	≥ € 72,797 - € 1,005,572	21%	79%	1.27%
3	> € 1,005,572	0%	100%	1.60%

Corporate income tax rates

Profit	Income tax
≤ € 200,000	16.50%
> € 200,000	25%

Employees insurance and ZVW premiums

Insurance	Rate	Maximum premium income	Maximum contribution employer
ZVW (income depending part)* (high)	6.70%	€ 57,232	€ 3,835
WW (Awf)**	2.94% (low) 7.94% (high)	€ 57,232	€ 1,683 (low) € 4,544 (high)
WGA (average)	0.76%	€ 57,232	€ 435
WW (addition)	0.50%	€ 57,232	€ 286
WIA (basic)	6.77%	€ 57,232	€ 3,875
ZW (average)	0.52%	€ 57,232	€ 298
Total	18.19% (low) 23.19% (high)	€ 57,232	€ 10,411 (low) € 13,272 (high)

* ZVW (income depending part) Low: 5.45 %, on maximum premium income: € 57,232 resulting in maximum contribution employer: € 3,119

** Per 2020, a differentiation applies between employees on a fixed countersigned non-on call contract (low percentage) and those who are not employed on the basis of a non-fixed contracts or any on-call contracts (high percentage).

Salary norm knowledge workers regulation (highly-skilled migrants)

The salary norm is a monthly norm. The salary components that are considered for meeting the norm meets to meet the following requirements: mentioned in the contract, specified, fixed and paid directly into the employee's bank account.

Category	Salary norm (p/m, excl. holiday pay)	Salary norm (p/y, incl. 8% holiday pay)
Knowledge workers / ICT 30 years and older	€ 4,612	€ 59,772
Knowledge workers / ICT under 30 years	€ 3,381	€ 43,818
In the Netherlands graduated knowledge worker	€ 2,423	€ 31,402
European Blue Card	€ 5,403	€ 70,023

Salary norm 30% ruling

The salary norm is an annual norm. It is also a taxable salary norm, i.e. all taxable benefits (including fringe benefits, such as company car) and deductions (e.g. employee pension contribution) determine the taxable salary. The norm is excluding the 30% ruling allowance. If the gross salary is not enough to provide a full 30% ruling, the 30% tax free allowance must be set lower (e.g. 10%) in order to avoid getting below the salary norm. It is a continuous test. Special rules apply for start of an employment and employees with a qualifying masters who becomes 30 years and for employees whose earnings are less because of pregnancy and/or parental leave.

Category	Salary norm
General (taxable) salary norm	More than € 38,347
Salary norm < 30 years plus (qualifying) MSc title	More than € 29,149
Certain scientific researchers and physicians under training	No salary norm