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# *WORKING AS A YOUNG PROFESSIONAL IN THE NETHERLANDS GUIDE*



Questions?



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Young Analytics



## Important things to know as an International data professional before coming to The Netherlands

As an International Data Professional, you have to know several things about working in The Netherlands. Young Analytics provides you with the best tips and tricks! Curious? Read further!

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# 1. Introduction

Young Analytics is for both EU and non-EU candidates. As a recognized sponsor we can employ and deploy candidates with residence permit requirements. With over 17 years of experience in supporting international young professional starters, we provide all information to help you get started in the Netherlands. For example, we guide you in housing, the visa application process, the 30% ruling, the Dutch tax system, and everything else that is needed. Other questions? Don't hesitate to get in contact with us!



## 2. Your guide in The Netherlands

### 2.1 What is The Netherlands known for?

The Netherlands is known for its windmills, tulips, dikes, clogs, cheese, and, not to be missed; tolerance. Due to the relatively flat hierarchy and informal corporate culture, decisions are often bottom-up, and open communication and collaboration are highly valued. This makes it easier for entrepreneurs and companies to share and discuss ideas and initiatives with their colleagues and business partners. When you start your career in The Netherlands, one of the first things you will notice is that the people are tall. In fact, The Dutch are the world's tallest people! When talking about business, The Netherlands has a booming service industry with great accomplishments in research, engineering, and sectors including fintech, electronics, food, flowers, chemicals, and water technology. In short, the country has plenty of opportunities!

### 2.2 Why come to The Netherlands as an international?

The Netherlands is small, but we are very used to people from abroad. That's why we have a comprehensive approach to international young professionals. An advantage of moving to the Netherlands is that you don't have to learn the Dutch language to start working here. In fact, compared to other countries where English isn't the native language, Dutch are the best at mastering the English language! Also, the majority of the Data Professionals of Young Analytics are internationals.

### 2.3 The work-life balance in The Netherlands?

If you are looking for a good work-life balance, The Netherlands is the place to be. Within the Organization for Economic Co-operation and Development (OECD), the Netherlands is known for its high standard of living, excellent social services, and strong economic

growth. Based on the gross domestic product (GDP) per capita, the Netherlands is in the top 10 OECD countries.

## **2.4 The most attractive cities in The Netherlands**

### **Amsterdam**

Amsterdam is the capital city of the Netherlands. It has 870,000 citizens, from many different cultures. Due to Amsterdam's world-famous canals, bridges, countless restaurants, and canal houses, there is a dynamic atmosphere in this city. There are about 160,000 businesses located with 100,000 'foreign knowledge workers' from different countries. These highly skilled migrants predominantly work for internationally oriented companies and have a strong preference for living in Amsterdam! For example, The Zuidas in Amsterdam is a major business centre and financial district, known internationally as a key location for corporations, banks, and law firms, and is an appealing place to work for foreigners.

### **Utrecht**

Utrecht is known for the Cathedral Tower. At 112.5 meters, the Tower is the tallest church tower in the Netherlands and the symbol and heart of the city, surrounded by canals. Because of them, Utrecht has been voted the most beautiful city with canals in Europe! It even beats Venice and Amsterdam. Utrecht is filled with an enormous number of companies and is an important economic and business city in the Netherlands. It is known for its thriving business sector, innovative companies, and leading research institutions. From start-ups to multinationals, you'll find them all. It is a great city to start your professional career.

### **The Hague**

The Hague is not only known for its beachfront location but what makes this city even more special is that it is the greenest city in the Netherlands! Besides, The Hague is the living place of the Dutch Royal Family, and it is the place where the government is located. The Hague has it all: the political and historical centre of the Netherlands with the modern session hall of parliament and the

beautiful old "Binnenhof", the most beautiful street in the Netherlands, and is also a very attractive city in terms of business. Especially because of the presence of several international organizations, embassies, and companies. Accordingly, The Hague is home to many international companies and embassies, has a thriving economy, and is conveniently located between other major business centers in the Netherlands.

## **Rotterdam**

Rotterdam is a port city in the Western part of the Netherlands. The port of Rotterdam was for a long time the largest in the world and is still the largest and most important in Europe. Rotterdam is a skyscraper city, making it the only city in the Netherlands that has the aura of a metropolis. The city has beautiful examples of modern architecture, excellent restaurants, pleasant hotels, fun attractions and of course, a lot of companies! Rotterdam has a thriving economy and is home to several large and medium-sized companies, such as Unilever, Shell, and ING. There are also several business premises and business centres in Rotterdam, making it an attractive city for entrepreneurs. In addition, Rotterdam is an innovative city and has a fast-growing tech industry and start-up scene.

## **2.5 Transport in The Netherlands?**

It varies per job and employer how you travel to work. If the office is close, many people bike or walk to their work. If not, Young Analytics has the opportunity to compensate for your travel expenses (by car, train, bus, tram or metro). And don't worry, public transport is very safe and well-organized in the Netherlands!

# 3. Contracts in The Netherlands

## 3.1 The most common contracts in The Netherlands

Companies in the Netherlands often work with temporary and permanent contracts. Permanent contracts are for an undetermined time and temporary contracts are for a determined time. When you have had several temporary contracts for a period of more than 3 years, or 3 consecutive temporary or stand-by contracts, you will switch to permanent employment and receive a permanent contract.

With Young Analytics, we offer young professionals a 1-year contract with career opportunities at the client's company. After this year, our candidates are offered an internal contract with the client. For data professionals with more experience, we offer a hiring and selection construction.

## 3.2 Main aspects

When you get a contract in The Netherlands, there are a few main aspects of the contract your employer must abide by:

- Duration of the contract
- Condition of pre-employment screening
- Role description
- Allowances
- Your wages
- Working hours
- Overtime pay
- Probationary period (proeftijd)
- Holiday leave
- Salary
- Notice period and pension contributions
- Social Security contributions
- Additional expenses such as public transport and study budget
- Company privacy and confidentiality policies
- Non-competition clause

# 4. 30% tax ruling

## 4.1 Dutch tax regime

For employees hired from abroad, the Netherlands has a favourable tax ruling to compensate employees for extraterritorial costs. The 30% tax ruling in the Netherlands is attractive to foreigners because it offers them a tax advantage on their income. The 30% rule allows foreign workers to receive up to 30% of their gross income tax-free. This means they pay less tax on a large part of their income, which increases their net salary. In addition, it is also possible to receive tax-free reimbursement for certain expenses, such as the costs of looking for housing and moving to the Netherlands. When the required conditions are met, you can benefit from a 30% tax ruling on your salary.

If you meet the following conditions, you can apply for the 30% tax ruling:

- You're in paid employment as an employee.
- You and your employer agree in writing that the 30% ruling is applicable.
- You have specific expertise that is not or hardly found in the Dutch labour market.
- You were recruited from outside of The Netherlands.
- You have a valid decision.
- The gross salary has to surpass a minimum.



# 5. Expat Visa

## 5.1 Visa requirement

When is a visa required for a young professional in the Netherlands?

- When you're not from the EU, EEA or Switzerland and
- If you're not holding a search year visa after studying in The Netherlands

## 5.2 Different types of visas

What type of visa do you need?

If you want to work in the Netherlands, you need a residence permit. There are different kinds of permits depending on your situation, for example:

- Highly skilled migrant visa
- Search year visa
- GVVA
- MVV

### 1. Highly skilled migrant visa

A highly skilled migrant (kennismigrant) is a highly educated immigrant who can strengthen Dutch companies with their particular knowledge. If the highly skilled migrant is from Europe, he/she does not need a residence permit. If the highly skilled migrant is from outside Europe, he/she needs a residence permit and an MVV.

### 2. Residence permit for orientation year (search year)

The Dutch government offers a "zoekjaar" or "search year" permit for highly educated migrants who have completed a bachelor's or master's degree, or a PhD at a recognized institution in the Netherlands. The search year permit allows graduates to spend up

to twelve months in the country to look for work or to start their own business. During the search year, graduates are allowed to work without a work permit and can take any job they can find. However, they are required to have sufficient financial resources to support themselves during their stay in the Netherlands.

To be eligible for the orientation year permit, graduates must apply within three years of completing their studies and meet certain requirements, including holding a valid residence permit and health insurance.

### **3. Single Permit: GVVA**

A single permit or GVVA is a permit that allows non-EU/EEA nationals to live and work in the Netherlands and stands for 'gecombineerde vergunning verblijf en arbeid'. It is issued by the Dutch Immigration and Naturalization Service (IND) and is generally required for both employees and self-employed individuals. To obtain a single permit, your employer or you as a self-employed individual will need to apply for the permit on your behalf. The permit is usually valid for one year and can be renewed if the conditions for the permit are still met. Exceptions may apply for highly skilled workers or individuals with different types of permits.

### **4. Provisional residence permit (MVV)**

A Provisional Residence Permit (MVV) is a temporary permit that allows non-EU/EEA nationals to enter the Netherlands for work or study. It is required for those who need a visa to enter the country and stay for more than 90 days. To obtain an MVV, you must apply at a Dutch embassy or consulate and submit the necessary documents. Once you have an MVV, you can apply for a residence permit, which will allow you to work in the Netherlands for a specific period.

# 6. The Dutch Tax System

## 6.1 Different kind of tax

In the Netherlands, you are required to pay taxes once you earn money while living here. The Belastingdienst (Dutch tax office) collects the taxes. The most relevant taxes for young professionals are the following:

<u>Type of tax</u>	<u>Dutch word</u>	<u>Short explanation</u>
<b>Income tax</b>	Inkomstenbelasting	You pay tax on the money you earn while working. Via the annual tax return you can declare this income tax online or with the help of a tax advisor. If you're employed, the company will withhold this wage tax from your salary.
<b>Payroll tax</b>	Loonheffing	Tax that is withheld from your salary which saves you from having to pay it later as income tax. The payroll tax consists of tax on your salary and national insurance contributions, e.g., pensions. This is why you fill in the 'statement of data for payroll taxes' at the beginning of your employment.
<b>VAT sales tax</b>	Omzetbelasting / BTW	Taxes from sales that businesses pay. This is why (mostly 21%) BTW is always added to the price of goods and services. Within the quarterly sales tax declaration this amount needs to be paid to the Belastingdienst.
<b>Annual income tax return</b>	Aangifte inkomstenbelasting	You only need to pay an annual income tax return if the Belastingdienst informs you that you are required to do so. This is to balance your paid taxes with financial conditions like the income of your partner, additional earnings, studies, mortgage and healthcare costs. You submit your annual income tax return in the period of March 1 to April 30.

<b>Corporate tax</b>	Vennootschapsbelasting	Tax for companies.
<b>30% Tax Facility/30% Ruling</b>	30% regeling	A favorable tax ruling to compensate employees for extraterritorial costs.

## 6.2 The Box System

The Box System is for tax returns on income to make sure taxes are paid equally and fair. The system is divided into three boxes with different incomes and tax rates: box 1, box 2 and box 3.

### **Box 1 – incomes from salary**

Annual taxable income (gross) between € 0 - 69.399 counts 37,07% as the total tax rate. If your income is above € 69.399+ the tax rate is 49,50%.

### **Box 2 – income from interest in a limited company**

Incomes from interest, such as dividends, know a total tax rate of 26,90%.

### **Box 3 - Income from assets, investments and savings**

Individuals can hold assets worth up to € 50.650 and couples can have assets worth up to € 101.300 without being taxed.

