

Interest on tax due charged on corporate income tax assessments to remain at same rate for the time being

In [our MTN of February 3, 2023](#) we informed you about the statutory increase in the rate used for charging interest on tax due on corporate income tax and (interest and royalty) withholding tax assessments. This rate was to increase from 8% to 10.5% with effect from March 1, 2023.

In his letter to the Lower House of Parliament dated February 23, 2023, the Deputy Minister of Finance announced that he intends to review the interest on tax due rates during the comprehensive consultations on the Spring Memorandum. Therefore, for the time being the rate for interest on tax due charged on corporate income tax and withholding tax assessments will not be increased but will remain at 8%.

In order to keep the interest on tax due at 8%, the legislation will have to be amended with retroactive effect. However, during the period from March 1, 2023 until the date the legislation is amended, the Dutch Tax and Customs Administration will use the 10.5% rate for any interest on tax due it must pay to taxpayers. Unfortunately, there are only very few situations where the Dutch Tax and Customs Administration actually pays interest on tax due.

If you have any questions about the above, your Meijburg advisor would be pleased to answer them for you.

KPMG Meijburg & Co
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