

Changes to VBI regime, abolition of open limited partnership and revision of qualification policy postponed for one year

On Monday, May 8, 2023 Deputy Minister of Finance Mr. Van Rij sent [the Second Tax Policy and Implementation Agenda](#) to the Upper and Lower Houses of Parliament. The agenda does not contain much that is new compared to the 2023 Spring Memorandum ([see our memorandum of May 4, 2023](#)). What is new is that the government has indicated that it intends to postpone by a year, i.e. thus to January 1, 2025, the announced changes to the exempt investment institution (*vrijstelde beleggingsinstelling*; VBI) regime and the open mutual fund, as well as the abolition of the open limited partnership and the revision of the tax qualification policy for legal forms.

Background

The internet consultation on the draft bill on the Mutual Funds, Exempt Financial Institutions and Tax Investment Institutions Amendment Act recently took place ([see our memorandum of March 13, 2023](#)). More than two years ago an internet consultation on the draft bill on the Tax Qualification Policy for Legal Forms Amendment Act had taken place, on the basis of which the open limited partnership will be abolished ([see our memorandum of March 31, 2021](#)).

In light of the responses to the internet consultations, the government intends to have the measures included in these bills take effect as of January 1, 2025. This means, among other things, that the transitional rules (with tax relief for transfers) included in the bills will apply to the year 2024, and that the changes to the substantive provisions – such as the changes to the definition of a taxable mutual fund and the abolition of the open limited partnership – will apply as of January 1, 2025. The date on which the measures on the fiscal investment institution (FBI) will take effect remains unchanged at January 1, 2025. Both bills are currently being elaborated on and will be presented to the Lower House of Parliament on Budget Day 2023.

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

KPMG Meijburg & Co
May 9, 2023

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