

**Budget Day was here again. The caretaker government submitted the Tax Plan with the tax measures for 2024 to the Lower House of Parliament. Here you will find an overview of the measures included in the Tax Plan.**



See  
[www.meijburg.com](http://www.meijburg.com)  
or more information  
about the 2024 Tax  
Plan

# Main features of the 2024 Tax Plan

## 1. Corporate income tax

- Real estate measure for FBIs:
  - As of 2025 an FBI may no longer invest directly in Dutch real estate.
  - In 2024 an FBI may transfer the economic ownership of Dutch real estate tax-free to its shareholders.
- As of 2025 changes to the qualification policy for foreign legal entities and open limited partnership to be abolished (transitional rules to avoid immediate settlement).
- As of 2025 changes to definitions of mutual fund and conditions for VBI; in 2024 settlement mutual funds (and their unitholders) that no longer qualify (with option of transferring claim).
- Adjustment thin cap rule for banks and insurers: exception for debts to group entities; percentage increased from 9% to

10.6%.

- As of 2024 fiscal stimulus for large gifts from a company to a director-major shareholder.
- Change to notional place of establishment for holding companies on the BES islands.
- Introduction of minimum tax for the BES islands (with limited impact).

## 2. Personal and corporate income tax

- As of 2024 energy investment allowance reduced to 40%. Energy investment allowance, environmental investment allowance, and free depreciation of environmental investments (VAMIL) extended by 5 years to 2029.
- More options reinvestment reserve (HIR) in the event of partial cessation of business operations due to government intervention (cessation schemes).

## 3. Personal income tax

- As of 2024 depreciation on buildings owned by businesses subject to personal income tax / recipients of income from other activities limited to 100% of the WOZ value.
- As of 2024 SME profit exemption reduced to 12.7%.
- For lucrative interest regime, loans that also contribute to remuneration will be part of the issued share capital.
- Box 3:
  - As of 2024 rate increased by 2% points to 34%.
  - Tax-free amount will not be inflation-adjusted.
  - Membership rights corporate bodies of apartment complexes and trust accounts will be bank accounts from now on.
  - Certain debts between tax partners and between parents and

minor children have been made tax-exempt.

- Reparation of measure against excessive borrowing from own company by emigrants with new company established abroad.
- As of 2024 Box 1 basic rate to 36.97% (in 2023: 36.93%), bracket limit to € 75,624 (in 2023: € 73,031).
- As of 2024 general tax credit increased to € 3,374 (in 2023: € 3,070).
- As of 2024 labor tax credit increased to € 5,553 (in 2023: € 5,052).
- Changes to income-related combination tax credit: co-parenting scheme only if care of child equally shared.



# Main features of the 2024 Tax Plan (continued)

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## 4. Business succession schemes

- Immovable property leased to third parties will always be regarded as invested equity capital.
- 5% efficiency margin to be abolished (2025).
- Employment requirement to be abolished (2025). Gifts will be subject to an age requirement: recipients must be at least 21 years old, both for the purposes of the Personal Income Tax Act and the Inheritance Tax Act.
- The exemption in the Inheritance Tax Act will, on the one hand, be expanded and, on the other, scaled back (2025). Up to € 1.5 million in business assets: exemption extended to 100% (in 2023 approx. € 1.2 million), the excess will be exempt for 70% (in 2023: 83%).

## 5. Dividend tax

- Heavier burden of proof and introduction of registration date to more effectively combat dividend stripping.

## 6. Payroll taxes

- Accelerated increase in tax-free kilometer allowance to € 0.23 per kilometer in 2024 (in 2023: € 0.21).
- Use of public transport to be stimulated by tax-free reimbursement or provision of public transport passes for some business use (also commuting).

## 7. VAT

- Reduced VAT rate for supplies of goods and performance of services generally mainly purchased by agricultural businesses to end on January 1, 2025.

## 8. Procedural law amendments

- As of January 1, 2024 the payment discount for the

provisional personal income tax assessment will be canceled.

- Cap on reimbursement of costs for objection and appeal proceedings regarding WOZ and BPM.
- Legal basis for ex officio reduction of personal income tax assessment after filing revised digital tax return.
- Revision of methodology for determining interest on tax due and late payment interest.

## 9. Environmental taxes

- Climate tax measures for:
  - greenhouse horticulture, including new CO<sub>2</sub> tax; and
  - the industrial and electricity sectors, including cancellation of several energy tax exemptions
- Changes within energy tax regime, including a new first tax bracket.

## 10. Tax Plan miscellaneous

- Concurrence exemption VAT and real estate transfer tax for acquisition of shares in a real estate legal entity limited by introduction of 4% rate.
- Normal 3-year deadline for imposing additional tax assessments will apply more often as a result of first step in the re-evaluation of the Customs sanctions regime.
- Excise duties on alcohol, tobacco and heating oil.
- Greener MRB.

