

30% facility for incoming employees

If you come to the Netherlands to work, you may face additional expenses (known as extraterritorial expenses). Your employer can pay you a tax-free allowance for the extraterritorial expenses you incur.

In addition, your employer can pay you 30% of your wages, including the allowance, free of tax. This facility is known as the 30% facility. Under this facility, there is no need to provide evidence of any expenses incurred.

Condition

You will be eligible for this facility if you come from abroad and have specific expertise that is unavailable or scarce on the Dutch labour market. Application of the facility requires permission of the Tax and Customs Administration. To this end, you can make a joint request with your employer.

Extraterritorial expenses:

Extraterritorial expenses comprise the following costs, among others:

- Additional costs of living because prices in the Netherlands are higher than those in your country of origin. This involves additional costs of meals, gas, water and electricity, for example;
- Costs of a familiarisation trip to the Netherlands, whether or not with your family, for instance in order to find housing or a school;
- Costs of applying for or converting official documents, such as residence permits, visas and driving licences;
- Cost of medical examinations and vaccinations required for your stay in the Netherlands;
- Double housing costs if you continue to live in your country of origin. These could be hotel expenses, for example;
- Additional (initial) housing costs;
- Storage costs for the household effects that are not moved to the Netherlands;
- Costs of travelling to your country of origin, for instance for family visits or family reunification;
- Additional costs for the completion of your tax return, if this is more expensive than having your tax return completed by a comparable tax consultant in your country of origin;
- Costs of a training course in order to learn the Dutch language, both for you and for the family members residing with you;
- Additional (non-business) call charges for telephone calls to your country of origin.

Source: www.belastingdienst.nl