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# COVID-19 SUPPORT MEASURES – THE NETHERLANDS

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## 1. TEMPORARY EMERGENCY MEASURE FOR BRIDGING EMPLOYMENT

= *'tijdelijke noodmaatregel overbrugging werkgelegenheid'* or *'now'*

Employers with a loss of turnover of at least 20% (30% as from 1 January 2021) may apply for compensation for labour costs incurred. The maximum amount of compensation is 80% (in October - December 2020), 70% (in January - March 2021) and 60% (in April - July 2021) of labour costs and depends on the loss of turnover.

### For whom?

Employers with an expected loss of turnover of 20% (30% as of 1 January 2021).

### Through which authority?

The Employee Insurance Administration Institute (*'Uitvoeringsinstituut Werknemersverzekeringen'*).

## 2. BRIDGING REGIME - SELF-EMPLOYED ENTREPRENEURS

= *'overbruggingsregeling-zelfstandig ondernemers'* or *'tozo'*

Self-employed people with a viable business can apply for income support if, as a result of the corona crisis, their income falls below the level of assistance. The support amounts to a maximum of EUR 1,500 net per month for a maximum of 6 months.

### For whom?

Self-employed entrepreneurs and self-employed without staff.

### Through which authority?

Own municipality.

## 3. ALLOWANCE FOR FIXED CHARGES

= *'tegemoetkoming vaste lasten'*

SMEs and self-employed entrepreneurs who have lost at least 30% of their turnover as a result of the government measures, may apply for a fixed charge allowance (ATV). The company may employ a maximum of 250 workers and the fixed costs are a minimum of EUR 3,000 per quarter. From January 2021 the loss of turnover must be at least 40% and from April 2021 at least 45%.

### For whom?

SME entrepreneurs and the self-employed with more than 30% loss of turnover and at least EUR 3,000 in fixed costs per quarter.

### Through which authority?

National Office for the Enterprising Netherlands (*'Rijksdienst voor Ondernemend Nederland'*).

#### **4. DEFERRAL OF TAX PAYMENT**

Until 31 December 2020, tax deferrals can be requested for a period of 3 months. A company that has already been granted a deferral of payment may apply for an extension of the deferral until 31 December 2020 under certain conditions.

**For whom?**

All entrepreneurs and self-employed without staff.

**Through which authority?**

Tax authorities.

#### **5. RELEASE OF G-ACCOUNT**

Usually only the surplus on the g-account can be released. If you have applied for deferment of payment for payroll tax or VAT, the amounts reserved for this purpose can now also be released.

**For whom?**

Entrepreneurs who lend, send out or second staff.

**Through which authority?**

Tax authorities.

#### **6. REDUCTION OF RECOVERY INTEREST**

Recovery interest will be reduced from 4% to 0.01% until 31 December 2021.

**For whom?**

All entrepreneurs and self-employed without staff.

**Through which authority?**

Automatically.

## 7. REDUCTION IN TAX RATES

The tax rate will be 4% for all taxes from 1 October 2020. This also applies to corporation tax until 31 December 2021.

### **For whom?**

All entrepreneurs and self-employed without staff.

### **Through which authority?**

Automatically.

## 8. MODIFICATION OF PROVISIONAL ASSESSMENT

If you expect a lower profit due to the current circumstances, you can apply for a reduction in the provisional assessment.

### **For whom?**

All entrepreneurs and self-employed without staff.

### **Through which authority?**

Automatically.

## 9. TOURISM TAX

Consultations are taking place to ensure that tourism tax is not levied or is levied only to a limited extent. At present, the measures differ from one municipality to another.

### **For whom?**

Companies in the hospitality and leisure sector.

### **Through which authority?**

Own municipality.

## 10. SME GUARANTEE EXTENSION (BMKB-C)

The government guarantee credit (*borgstellingskrediet*) has been increased from 50% to 75%. This makes it easier for banks to lend out money.

### **For whom?**

Companies up to 250 FTE.

### **Through which authority?**

Your credit provider.

## 11. AGRICULTURAL GUARANTEE CREDIT (BL-C)

An extra module 'C' has been added to the agricultural guarantee credit (BL-Arrangement). This means a 70% guarantee (*borgstelling*) for a bridging loan with a maximum of 1.5 million euros per company. Under circumstances this amount may be higher. This makes it easier to apply for credit.

### **For whom?**

Agricultural entrepreneurs.

### **Through which authority?**

Your credit provider.

## 12. CORPORATE FINANCE GUARANTEE (GO-REGIME)

The public authorities provide an 80% guarantee on bank loans and bank guarantees for large companies, the guarantee is 90% for SMEs. This scheme can be applied for until 15 December 2020.

### **For whom?**

SMEs and large enterprises.

### **Through which authority?**

Your credit provider.

## 13. QREDITS

Qredits customers receive up to 6 months' grace on existing loans (interest, however, remains due). At the same time, the interest rate on the loans is reduced to 2%. Under certain conditions, companies can now also apply for a 'bridging loan' (*overbruggingskrediet*) to get through the corona period, with a maximum of EUR 25,000.

### **For whom?**

Self-employed persons and SMEs who are customers of Qredits.

### **Through which authority?**

Your credit provider.

## 14. TIME-OUT ARRANGEMENT (TOA)

Companies that are in danger of going bankrupt because of debts can make use of the Time-out arrangement. This arrangement is based on the Act on the Homologation of Private Agreements (*De Wet Homologatie Onderhands Akkoord*) and involves, in short, the involvement of the court in an agreement on a proposed debt settlement, without the agreement of all creditors. The Act will enter into force on 1 January 2021.

### **For whom?**

Companies unable to pay their debts.

### **Through which authority?**

The court.

*Disclaimer: The above regulations may be amended in the interim by the government. Always make sure you consult the most recent information, in case of doubt contact us. Please also note that this is a brief overview and that most regulations are subject to conditions. For more information please contact us.*