



Zero to One is a recognized facilitator and accelerator. We help (international) entrepreneurs with building and expanding their business.

Within our network we noticed that there are a lot of questions regarding how to cope with the COVID-19 virus when you are an (international) entrepreneur.

We created this document based on information we gained from the RVO and tax authorities websites.

We want to share this with our network so they can share in theirs. In these times it is important to help each other.

If you need any help with anything, we are maybe able to help you. Please contact us at laura@zero-to.one

For further information you can visit the links on the last page of this document.

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Unemployment benefit during short-time working

Please note: As per 17 March 2020 it is no longer possible to apply for an unemployment benefit for short-time working (Werktijdverkorting, wtv) permit.

The wtv scheme has been withdrawn. Employers with a loss of turnover due to the corona virus can apply for the temporary Employment Bridging Emergency Fund (NOW) instead of a wtv permit. You will receive a substantial allowance with which you can continue to pay employees with a fixed and a flexible contract.

Why can't I apply for a wtv permit anymore?

The Employment Bridging Emergency Fund has come into force due to an unprecedented number of applications for wtv permits. The wtv scheme is not tailored to the profound effects of the corona virus outbreak on Dutch companies and organisations. That is why the wtv scheme has been withdrawn. The government wants to support more employers and do this more quickly. This is feasible with the new temporary measure Employment Bridging Emergency Fund (NOW).

I have applied for wtv via SZW, but I have not yet received an answer

If you had already applied for the unemployment benefit for short-time working permit, your application will automatically be considered as an application for the Emergency Bridging Employment Fund. You will be notified about this. Also, additional information will be requested from you.

Until when is my current wtv permit effectual?

If you have already been granted a wtv permit, this permit will remain in force.

What do I do if I want to extend my current wtv permit?

If you already have a wtv permit and want to extend it afterwards, you must apply for the NOW.

Can I apply for a wtv permit in case of loss of turnover due to causes other than the corona virus?

No, the wtv scheme has been withdrawn. If you have a fall in revenue due to causes other than the outbreak of the coronavirus, you can only apply for the NOW.

Special deferral of payment

You can ask the tax authorities for special deferral of payment. This is possible for all assessments of income tax, corporate tax, turnover tax (VAT) and payroll taxes.

Send a letter to the tax authorities for this. In the letter you ask for deferral of payment and explain how you got into payment problems due to the corona outbreak. After the tax authorities have received your request, they will stop recovery measures. And you do not have to pay a fine for not paying VAT or payroll taxes on time.

Below you can read what you have to take into account when you want to apply for special deferral of payment.

When can you apply for postponement?

After you have made a declaration and received an assessment.

They will ask you to send us a statement from a third party expert

The tax authorities now use a period of 4 weeks for this. You therefore do not have to send this statement at the same time as your request for deferment of payment.

What is a third expert?

For example:

- an external consultant
- an external financier
- an industry organization
- your own accountant or tax service provider

What should be in the third expert's statement?

The terms of the statement are still under discussion. More information will follow soon on this page.

Where do you send your request for postponement?

Send your request for postponement with motivation and (possibly later) the expert's statement to:

tax authorities
PO Box 100
6400 AC Heerlen

Reduction of your provisional assessment

Do you expect a lower profit due to the corona outbreak? And do you now pay a provisional assessment for income tax or corporate tax? Then you can change your provisional assessment so that you immediately pay less tax. Lower your income for this. If the amount of the new provisional assessment is less than the tax you already paid in the first months of the year, you will be refunded the difference.

How do you change your provisional assessment?

For income tax, you can change the provisional assessment via Mijn Belastingdienst. For corporation tax, you can change your provisional assessment in 3 ways:

1. You use the form in the new entrepreneur portal: Mijn Belastingdienst Zakelijk. Go to Logging in for entrepreneurs, choose Mijn Belastingdienst Zakelijk and log in with eHerkenning.
2. You make the request or change with your commercial software package or have it done by your tax consultant.
3. Are you unable to use Mijn Belastingdienst Zakelijk? Only then will you fill in the form 'Request or change for provisional corporate income tax assessment 2020' on this website.

https://www.belastingdienst.nl/wps/wcm/connect/bldcontentnl/themaoverstijgend/programmas_en_formulieren/verzoek-of-wijziging-voorlopige-aanslag-vennootschapsbelasting-2020

Pay attention!

If you now adjust your provisional assessment and indicate that you no longer expect profit for the rest of the year, this may have consequences for your final assessment. At this moment you already pay part of the tax that you should pay for this year every month. The tax authorities settle this afterwards with the final assessment. Have you paid too much? Then you will be refunded the overpaid amount. But have you paid too little or got back too much? Then you have to pay extra.

If you make a profit later in the year, it is best to change your provisional assessment again. This prevents you from having to pay additional costs with your final assessment.

Temporary reduction of collection interest and tax interest

The tax authorities temporarily lowered the collection interest and the tax interest.

Recovery interest

If you do not pay an assessment on time, you normally have to pay 4% recovery interest from the moment the payment term has expired. As of March 23, 2020, the tax authorities will temporarily reduce the collection interest from 4% to 0.01%. This applies to all tax debts.

Tax interest

The tax authorities charge tax interest if they are able to determine a tax assessment too late, for example because you did not file a tax return on time or for the correct amount. The tax rate is 8% for corporate tax and 4% for other taxes. They will also temporarily lower the tax rate to 0.01%. This will apply to all taxes subject to tax interest. The temporary reduction of the tax rate will take effect from 1 June 2020, except for income tax. For the income tax, the reduction will take effect from 1 July 2020.

Financial support for self-employed professionals (Bbz)

If you are a freelancer or self-employed professional in the Netherlands and in need of financial support, your municipality can offer you various forms of social benefit options under the Decree on Assistance to the Self-Employed (*Besluit bijstandverlening zelfstandigen, Bbz*). The Bbz offers loans, credits or low income supplements. Also, your municipality can offer you coaching free of charge.

Different groups of freelancers/self-employed persons are eligible:

- those starting a company, who receive: welfare (in Dutch), unemployment benefit or incapacity benefit;
- established entrepreneurs who are experiencing temporary financial problems;
- entrepreneurs who are 55 or older with a non-viable company;
- entrepreneurs who wish to end their company.

Changes in support

The government has made some changes in financial support for self-employed professionals and freelancers:

When do you qualify?

Whether you are eligible for financial support as a freelancer/self-employed professional depends on your situation. As does the type of support you require. There are different requirements for each situation. For instance your personal capital determines whether your company capital is a grant or a loan (which you have to pay interest on). It is important to check which requirements apply to your situation. Your local municipality can help you with this.

How to apply?

Submit your application to your local municipal authority.

Compensation

Under the Tax Plan 2019, freelancers/self-employed professionals who received financial support between 2014 and 2016 are eligible for compensation, because they were required to add the financial support as a grant to their income in their income tax returns. As a result other benefits were withdrawn. You can apply for this compensation until 1 July 2020 with the Dutch Tax and Customs Administration(in Dutch).

SME credit guarantee scheme (BMKB)

If you have a business in the Netherlands and employ no more than 250 workers (you have an SME), you may be eligible for a guarantee for part of a loan through the SME credit guarantee scheme (BMKB). The Ministry of Economic Affairs and Climate Policy stands as guarantor. This will enable you to borrow more than would otherwise be possible based on your collateral.

The bank and other possible funders are covered by the government's SME credit guarantee scheme.

SME credit guarantee scheme for businesses affected by the coronavirus

The SME credit guarantee scheme has been extended(in Dutch) to deal with the economic consequences of the coronavirus. Businesses can use the BMKB scheme for a bridge loan,

or to increase the overdraft limit (how much they are allowed to be 'in the red') on their current account. The guarantee runs to 75% of the credit given by the financing party.

PFAS and nitrogen

The government offers extra support within the BMKB scheme to SMEs whose turnover relies for at least 20% on activities affected by the PFAS and nitrogen developments(in Dutch). The government can be guarantor for a larger credit sum. You can make use of this extra support until and including 31 December 2020.

When do you qualify?

To be eligible for the SME credit guarantee scheme, you must fulfil various conditions, including the following:

- Your business is established in the Netherlands, Bonaire, Saba or St. Eustatius.
- Your business has up to 250 FTE employees.
- Your business has an annual revenue of up to €50 million or has a balance sheet total of up to €43 million.
- Your company has been established for over 3 years.

The scheme offers extra opportunities for innovative companies and startups(in Dutch). It is also open to entrepreneurs who want to start businesses in Bonaire, Saba and St. Eustatius.

How to apply?

Entrepreneurs do not apply for the SME Credit Guarantee themselves. They simply apply for a loan from one of the participating banks or other funders(in Dutch), which in turn submits an application for the SME credit guarantee from the Netherlands Enterprise Agency (RVO). A special webportal(partly in Dutch) is available for funders with all relevant information.

Temporary Emergency Bridging Measure for Sustained Employment (NOW)

Do you employ staff, and expect a turnover loss of at least 20%? You can claim a compensation towards wages for a period of 3 months from NOW: Temporary Emergency Bridging Measure for Sustained Employment (Tijdelijke Noodmaatregel Overbrugging voor Werkbehoud). You can claim a maximum of 90% of wages, depending on how much turnover you lose.

The NOW-scheme replaces the unemployment benefit during short-time working (wtv). You can no longer apply for unemployment benefit during short-time working

What is NOW?

Due to extraordinary circumstances, like the coronavirus, you have less or no work for your employees. You can claim NOW for a substantial compensation for their wages. In this way, you can continue to pay employees with permanent and temporary contracts. The Employee Insurance Agency (UWV) will pay you an advance.

You can claim the compensation for 3 months, with the possibility to extend it for a further 3 months. You can claim the compensation for turnover you have missed from 1 March onwards.

You may also use the NOW if your company experiences turnover loss due to other causes than the coronavirus outbreak.

Conditions if you want to claim NOW

If you claim NOW, you will not be allowed to request permission to dismiss employees on economic grounds during the period for which you receive compensation.

You expect to lose at least 20% turnover.

You claim compensation for 3 months, with the possibility to extend it once, for a further 3 months (extra conditions may apply to an extension application).

NOW is compensation for turnover you have missed from 1 March 2020 onwards.

You will need to submit a statement from an accountant for claims that exceed a certain amount (the height of which is yet to be established).

How much compensation for wages can you claim?

The compensation for wages you can claim depends on the turnover loss. You can claim a maximum of 90% of the wages. For example:

- If the turnover loss is 100%, the compensation will amount to 90% of wages
- If the turnover loss is 50%, the compensation will amount to 45% of wages
- If the turnover loss is 25%, the compensation will amount to 22.5% of wages

Based on your application, the Employee Insurance Agency (UWV) will pay you an advance of 80% of the expected compensation. The actual turnover loss will be determined afterwards. When determining the definitive compensation, a correction can be made, if there has been a decrease in wages.

How do you apply?

This will be announced as soon as the information is available.

Can you still apply for unemployment benefit during short-time working (wtv)?

No, that is no longer possible. If you have already applied for wtv, you will be notified. The Employee Insurance Agency (UWV) will treat your wtv application as a claim for NOW

compensation. Read why the wtv has been cancelled and what you should do if you have already been awarded wtv.

KVK Advice Team for questions about corona

Is your business at risk due to corona? Contact the Netherlands Chamber of Commerce KVK for advice on how to act. You can reach the KVK Advice Team on +31 (0)800 2117, Mon-Fri from 8:30 to 17:00 hours.

Business loan guarantee scheme (GO)

The Business loan guarantee scheme (Garantie Ondernemingsfinanciering, GO) makes it easier for large and medium-sized companies in the Netherlands to borrow substantial amounts of money. Capital providers receive a 50% guarantee from the government. The maximum term for the Business loan guarantee scheme is maximum 8 years.

Attention: As a result of the coronavirus measures, you can temporarily take out a bigger loan under the GO-scheme. Per business you can now take out a loan of €150 million maximum.

When do you qualify?

To qualify for the GO Business loan guarantee scheme (in Dutch), the following criteria must be met:

- Your company has its registered office in the Netherlands. The commercial activities are conducted primarily in the Netherlands.
- You have a healthy company.
- Your business has reasonable profitability and continuity prospects.
- The financing qualifies as Fresh Money (in Dutch).
- In the last 12 months, no excessive capital withdrawals from your company have taken place.
- You are only requesting GO financing for your own company activities.

How to apply for the GO-scheme?

You don't apply for the GO-scheme yourself. Your financier can apply for you if they participate in the GO-scheme (in Dutch). The financier submits the application to the Netherlands Enterprise Agency (RVO).

General measures to protect the public health

- All events and meetings are cancelled until 6 April.
- All public places, like museums, concert halls, theatres, bars, restaurants, coffee shops, and sports clubs, are closed.
- Schools and universities are closed.
- People in so-called 'vital professions' may still go to work. Special arrangements are made for the schooling and daycare needs of the children of people in so-called 'crucial professions' (in Dutch). Contact your municipality or safety region for information, or check the RIVM and Rijksoverheid pages.

Follow the RIVM advice:

- Wash your hands regularly
- Cough and sneeze into the crook of your elbow
- Use paper tissues
- Don't shake hands
- Keep at least 6 feet distance from each other

Want more information?

Unemployment benefit during short-time working

<https://business.gov.nl/subsidy/unemployment-benefit-short-time-working/>

Coronavirus: tax measures for entrepreneurs (including freelancers)

<https://www.belastingdienst.nl/wps/wcm/connect/nl/ondernemers/content/coronavirus-belastingmaatregelen-om-ondernemers-te-helpen>

Financial support for self-employed professionals (Bbz)

<https://business.gov.nl/subsidy/financial-support-self-employed-bbz/>

The coronavirus and your company: a roadmap

<https://business.gov.nl/the-coronavirus-and-your-company/>

Temporary Emergency Bridging Measure for Sustained Employment (NOW)

<https://business.gov.nl/subsidy/employment-bridging-emergency-fund-now/>

Business loan guarantee scheme (GO)

<https://business.gov.nl/subsidy/business-loan-guarantee-scheme/>