

## COUNTRY GUIDE

# THE NETHERLANDS

Known for a flat landscape of canals, tulip fields and windmills, the Netherlands has a highly developed economy and is a major player in the European economy overall. Ranked as the 17th largest in the world, the Dutch economy flourishes through openness to global trade and investment, and an independent judicial system that provides strong protection of property rights and fosters the rule of law.



### CAPITAL MARKETS






Due to the uncertainty that Brexit is causing in the European financial sector, many companies are choosing to relocate to other markets. The Dutch Financial Markets Authority (AFM) is seeing an increase in the number of applications for trading licenses and is preparing for the major shift in the financial trading infrastructure, particularly in equity and bond platforms. It is expected that the Netherlands will be at the center of European financial trading post-Brexit.

### GLOBAL AND REGIONAL TRADE

Forbes ranked the Netherlands as No. 4 among their “Best Countries for Business” in the world. A strategic location—with access to 95% of Europe’s most lucrative consumer markets within 24 hours of Amsterdam or Rotterdam—a supportive corporate tax structure, a highly educated, multilingual workforce, and a superior logistics and technology infrastructure make the Netherlands a world-class business destination. Many multinational businesses have chosen the Netherlands as their gateway to the European market.

### TRUST OFFICES

The Netherlands is home to many trust offices due to its favorable treatment of dividends and royalties, wide network of tax treaties, and long-standing tradition of negotiating tax deals with companies. In 2015, the Dutch finance ministry introduced stricter regulations for trust offices to provide more transparency in to the people behind capital flows and to combat criminal behavior.

	<b>Geography</b>	<p><b>Location:</b> The Netherlands is located in western Europe, bordering the North Sea, between Belgium and Germany. The country holds additional island territories in the Caribbean.</p> <p><b>Area:</b> 41,543 sq. km</p> <p><b>Timezone:</b> Central European Time (GMT+2)</p>
		
	<b>Population</b>	17.2 million
	<b>Language(s)</b>	Dutch
	<b>Economy</b>	Key sectors include agriculture and food, energy, chemicals and the service industry
	<b>Capital City</b>	Amsterdam is the capital, however The Hague is the seat of the government
	<b>Currency</b>	Euro (EUR)
	<b>Political structure</b>	Stable
	<b>Legal system</b>	Parliamentary constitutional monarchy, civil law

This information is not intended to provide legal advice or serve as a substitute for legal research to address specific situations.

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# Main Types of Legal Entities

	PRIVATE LIMITED COMPANY (BV)	PUBLIC LIMITED COMPANY (NV)	COOPERATIVE	BRANCH/REPRESENTATIVE OFFICE
<b>Share capital</b>				
Minimum paid-up	€0.01	€45,000	Not required	No minimum
Maximum authorized	N/A	N/A	N/A	N/A
Usual currency	EUR	EUR	EUR	EUR
Permitted currencies	EUR	EUR	EUR	EUR
<b>Domiciliation</b>				
Registered address	Local registered office required	Local registered office required	Local registered office required	Local registered office required
<b>Directors</b>				
Minimum number	One	One	One. But there must be at least two or more members.	Based on parent company requirements
Minimum local	At least 50% must be residents	Not required	At least 50% must be residents	Not required
Corporate directors	Allowed	Allowed	Allowed	N/A
<b>Statutory</b>				
Annual filing	Annual returns	Annual returns	Annual returns	Annual returns
Company secretary	Not required	Not required	Not required	Not required
Annual general meeting (AGM)	Required	Required	Required	Based on parent company requirements
Beneficial owner reporting	Director and shareholder details must be disclosed publicly	Director and shareholder details must be disclosed publicly	Required for beneficiaries with 25% or more shares	Required for beneficiaries with 25% or more shares
Re-domiciliation	Not allowed	Not allowed	Not allowed	Not allowed
<b>Financial administration</b>				
Audit required	Required for medium and large companies	Required for medium and large companies	Required for medium and large companies	Based on parent company requirements
Filing of annual return	Reports must be filed annually with the Chamber of Commerce (KVK) and tax returns with the Tax and Customs Administration.	Reports must be filed annually with the Chamber of Commerce (KVK) and tax returns with the Tax and Customs Administration.	Reports must be filed annually with the Chamber of Commerce (KVK) and tax returns with the Tax and Customs Administration.	Parent company must file annually with the Dutch Tax and Customs Administration.
<b>Tax</b>				
Tax rates	19% up to €200,000; 25% on the rest	19% up to €200,000; 25% on the rest	19% up to €200,000; 25% on the rest.	19% up to €200,000; 25% on the rest derived from Dutch sources
VAT	21%	21%	21%	21%
Tax treaties	Negotiated with 124+ countries	Negotiated with 124+ countries	Negotiated with 124+ countries	N/A
Other taxes	Offshore income, capital gains, dividend withholding	Offshore income, capital gains, dividend withholding	N/A	N/A
<b>Government fees</b>				
Registry fee	€50	€50	€50	€50
License fee	May be required depending on the business type	May be required depending on the business type	May be required depending on the business type	May be required depending on the business type

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<b>Incorporation process</b>				
<b>Summary</b>	<ul style="list-style-type: none"> <li>&gt; Incorporation (civil-law notary) by notarial deed (statutes)</li> <li>&gt; Registration in the KVK Commercial Register (Handelsregister)</li> <li>&gt; Registration at the Dutch Tax and Customs Administration</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Incorporation (civil-law notary) by notarial deed (statutes)</li> <li>&gt; Registration in the KVK Commercial Register (Handelsregister)</li> <li>&gt; Registration at the Dutch Tax and Customs Administration</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Incorporation (civil-law notary) by notarial deed (statutes)</li> <li>&gt; Registration in the KVK Commercial Register (Handelsregister)</li> <li>&gt; Registration at the Dutch Tax and Customs Administration</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Registration in the KVK Commercial Register (Handelsregister)</li> <li>&gt; Registration at the Dutch Tax and Customs Administration</li> </ul>
<b>Time</b>	One week	One week	One week	Up to one week
<b>Other</b>				
<b>Are shelf corporations available?</b>	Yes	Yes	N/A	N/A

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# CT Service Offerings – The Netherlands



## Global Transactional Services

- Due diligence searches
  - Certificate of Good Standing (or equivalent)
  - Health check services
  - Liens/charges
  - Litigation
  - Bankruptcy
- Document retrieval
  - Articles of Incorporation
  - Memorandum of Association
  - Chamber of Commerce Extract
- Authentications & legalizations
- Board changes
- Company searches
- Incorporations
- Liquidation of entities
- Process agent appointments
- Translation services

## Global Entity Management

- Corporate secretarial services
- Annual compliance
  - Statutory filings
  - Annual board resolution drafting
  - Corporate minute book management
- Domiciliation/registered address
- Director services and legal representation

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To learn more about how CT can help you better manage your [global compliance needs](#), contact a CT representative at 855.444.5358 (toll-free U.S.).

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