



IR GLOBAL - MEET THE MEMBERS

The Netherlands

IR Global - The Future of Professional Services

IR Global was founded in 2010 and has grown to become the largest practice area exclusive network of advisors in just a few years, this incredible success story has seen the network awarded Band 1 status by Chamber & Partners, recommended by Legal 500 and has been featured in publications such as The Financial Times, Lawyer 360 and Practical Law amongst many others.

The group's founding philosophy was based on bringing the best of the advisory community into a sharing economy; a system, which is ethical, sustainable and provides significant added value to the client.

Businesses today require more than just a traditional lawyer or accountant. IR Global is at the forefront of this transition with members providing strategic support and working closely alongside management teams to help realise their vision. We believe the archaic 'professional service firm' model is dying due to it being insular, expensive and slow. In IR Global, forward thinking clients now have a credible alternative, which is open, cost effective and flexible.

Our Founding Philosophies

MULTI-DISCIPLINARY

We work alongside legal, accountancy, financial, corporate finance, transaction support and business intelligence firms, ensuring we can offer complete solutions tailored to the clients requirements.

NICHE EXPERTISE

In today's marketplace, both local knowledge and specific practice area / sector expertise is needed. We select just one firm, per jurisdiction, per practice area ensuring the very best experts are on hand to assist.

VETTING PROCESS

Criteria is based on both quality of the firm and the character of the individuals within. It's key that all of our members share a common vision towards mutual success.

PERSONAL CONTACT

The best relationships are built on trust and we take great efforts to bring our members together via regular events and networking activities. The friendships formed are highly valuable to the members and ensure client referrals are handled with great care.

CO-OPERATIVE LEADERSHIP

In contrast to authoritarian or directive leadership, our group puts teamwork and self-organisation in the centre. The group has steering committees for 12 practice area and regional working groups who focus on network development, quality controls and increasing client value.

ETHICAL APPROACH

It is our responsibility to utilise our business network and influence to instigate positive social change. IR founded Sinchi a non-profit that focuses on the preservation of indigenous culture and knowledge and works with different indigenous communities / tribes around the world.

STRATEGIC PARTNERS

Strength comes via our extended network, if we feel a clients need is better handled by someone else, we are able to call on the assistance of our partners. First priority is to always ensure the client has the right representation whether that be with a member of IR or someone else.



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FOREWORD BY EDITOR, NICK YATES

The Netherlands – Strength beyond size

The Netherlands is one of Europe's most compelling investment opportunities, despite not being the first name on every CEO's mind when considering international expansion. Large city regions in countries, such as the UK, France or Germany, can often have more allure as gateways into Europe, but any decision maker who fails to look beyond this established order is making a mistake. A cursory look at the credentials of The Netherlands as an investment destination, immediately shows its vast potential.

The Netherlands is a relatively small nation of just 17 million people, but its global influence in areas such as sports, culture and economics far outweighs its size. In terms of surface area and population size, it ranks 134th and 65th in the world respectively, however a Gross Domestic Product (GDP) of EUR679 billion makes it the 17th largest economy in the world and the 6th largest in the European Union. The country was named by the World Economic Forum's 2017-18 Global Competitive Index as the fourth best country to do business in, due to factors such as high levels of labour productivity, a well-educated workforce and its strategic location in Europe.

This is a potent combination of factors, adding up to a compelling proposition for any international investor or multi-national company looking for a base with which to expand into Europe, a regional headquarters for trade with countries outside the European Union or a partnership with an existing business.

Taking its location in Europe as an example, The Netherlands is an established hub for import and export of goods, with global manufacturers using the large international seaport of Rotterdam (Europort) and Amsterdam's Schiphol Airport as gateways into the continent. It is home to more distribution centres than anywhere else in Europe and has the largest inland shipping fleet in Europe. It is also the fifth-largest exporter of goods in the

world, selling USD 668 billion of products in 2015, amounting to 3.5 per cent of total global exports.

Putting aside the more obvious advantages, there is also a range of less well-understood reasons to invest in the Netherlands that are equally persuasive. The Dutch authorities are extremely business-orientated and have created a fertile ground for established organisations and entrepreneurs to thrive in. Innovation is strongly encouraged in the Netherlands, via tax benefits and grants for entrepreneurs. A significant proportion of the Dutch working population is self-employed, and the Dutch government promotes start-ups because they create economic vitality, challenging existing firms and giving them the incentive to adapt and innovate.

The Dutch economy is also well equipped for new tech paradigms such as cryptocurrency and blockchain, with the Dutch Authority for the Financial Markets (AFM) and the Dutch Central Bank (DNB) issuing regular updates on ongoing regulatory developments in the sector. There is a highly developed ICT infrastructure with specialist hubs such as The Hague Security Delta which focuses on cybersecurity.

A competitive statutory corporate income tax rate compared to the rest of Europe is attractive to potential investors. It is expected to drop in the coming years to 17 per cent on the first EUR200,000 of taxable profits and rises to 20.5 per cent for profits

exceeding that figure. The Netherlands has a wide network of almost 100 bilateral tax treaties, designed to help businesses with operations in the country to avoid double taxation.

Finally, if that weren't enough, The Netherlands sits 10th on the United Nations Human Development Index, which records levels of prosperity and human well-being, such as life expectancy, public health and educational standards.

In this brochure you will hear from nine lawyers with expertise in different areas of Dutch business law critical to investment. We include articles on tax law, employment via digital platforms, customs and excise, tort law and cryptocurrency investment, among others.

As well as showcasing the innovative nature of the Dutch economy, we hope this provide a useful tool to help investors navigate any potential challenges they may face when deciding to invest in The Netherlands.

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WOLFS
ADVOCATEN

WINTERTALING



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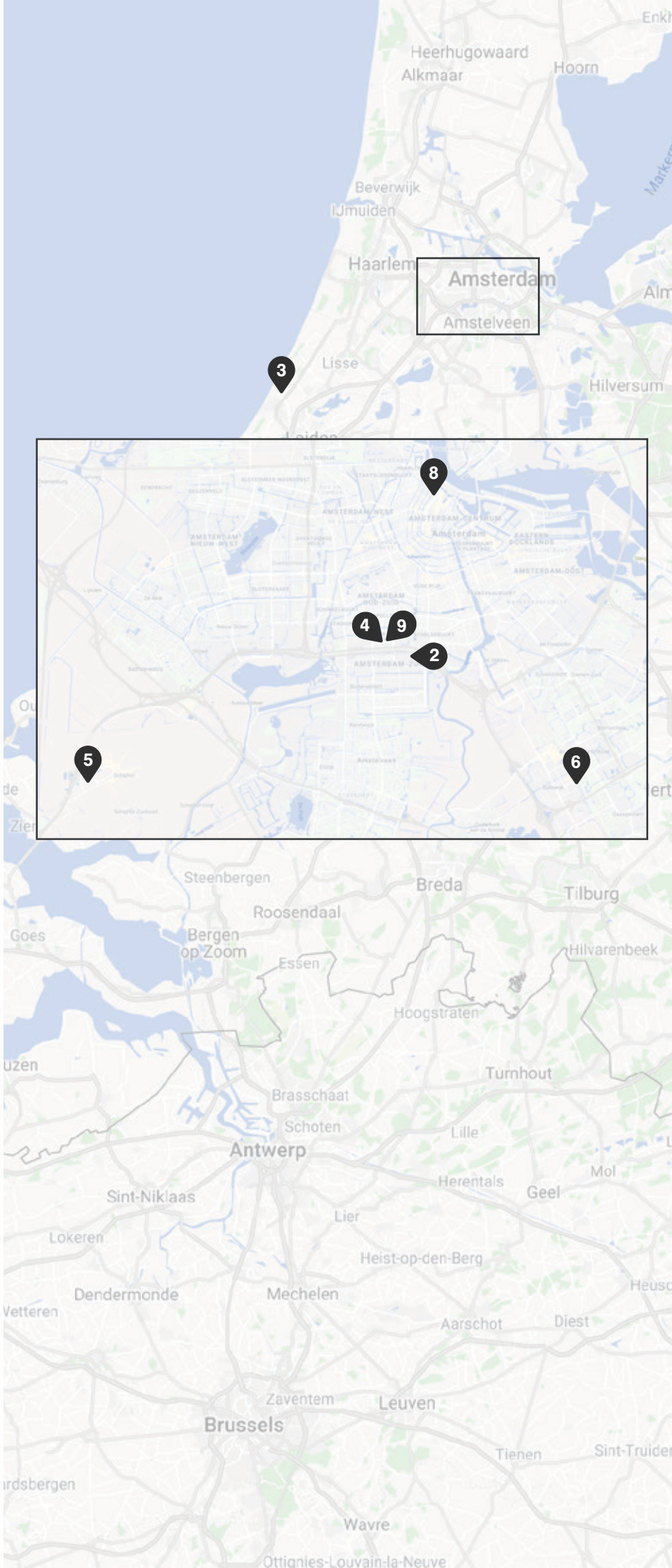
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INTERNATIONAL TRADE, CUSTOMS AND VAT



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ABiLiTieS





Member Firms in The Netherlands

IR Global members in the Netherlands are located in key cities throughout the country including Amsterdam, Leiden, the Hague, Maastricht and more, consisting of leading legal, accountancy and financial advisers recommended exclusively by practice area thus ensuring that our members have the highest quality niche expertise available to them.

Whether it's an incorporation of a company, advising on cryptocurrencies and blockchain, an M&A deal that needs careful management or the changing employment landscape, our Netherlands representatives are on hand to provide you with a high-quality service that suits your every business need.

Member firms featured here retain a global support network across 155+ jurisdictions via their IR Global membership, sharing a common vision of working collaboratively to achieve unrivaled results. Please see the full list of Dutch member firms below and on the IR Global website via bit.ly/2PIZESl.

9 ABiLiTieS Trust

abilitiestrust.com

Actus Notarissen

actusnotarissen.nl

Advocaten & Notarissen

wintertaling.nl/en

6 Advocatenkantoor RHJ Koopmans

koopmanslaw.nl

Bavelaar Attorneys at Law

bavelaar.nl

Daniels Huisman Advocaten

danielshuisman.nl

De Clercq Lawyers and Notary

declercq.com

Dijks Leijssen Advocaten Rechtsanwälte

dijksleijssen.nl

Everest Legal

everestnotariaat.com

HMB Accountants

hmbaccountants.nl

4 Kraaijeveld Coppus Legal B.V.

klegal.nl

Law firm Der Bedrosian

derbedrosian.nl

7 Maprima

maprima.com

5 McMAN Ooijevaar: International Trade and Customs

mcmanco.com

Meijer Advocaten en Belastingadviseurs B.V.

meijer-advocaten.nl

8 Sagiure Legal B.V.

sagiure.com

Synergy Business Lawyers

sbl-lawyers.com

Pallas Attorneys-at-Law

pallaslaw.nl

2 Wintertaling Advocaten & Notarissen

wintertaling.nl/en

1 Wolfs Advocaten

wolfsadvocaten.nl

3 Zirkzee Group

zirkzeegroup.com




KRAAIJEVELD INTERNATIONAL COPPUS TAX LAWYERS LEGAL



THE NETHERLANDS

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Friggo Kraaijeveld graduated in Tax Law at the University of Amsterdam. He also graduated in Civil Law and Philosophy at the University of Amsterdam and obtained a postgraduate LLM in International Tax Law from the International Tax Centre of the University of Leiden.

Friggo worked in the field of international taxation at PWC and subsequently worked with a leading Dutch law firm. Friggo is specialised in tax issues with an international dimension, such as private equity structuring, cross-border investments, international trade and labour. Friggo has a strong track record in cross-border investment structures and structured finance.

He is a member of the Dutch Order of Attorneys (NOvA), the Dutch Association of Tax Advisors (NOB), the International Bar Association (IBA) and the International Fiscal Association (IFA).

KC Legal is the go-to international tax boutique firm in the Netherlands, providing top-tier tax advisory, tax compliance services, legal and business support to those who conduct business and maintain assets in the Netherlands. The practice serves multinational enterprises, private equity funds and family-owned businesses.

Their team of international tax specialists consists of experienced tax lawyers and tax attorneys, who provide a hands-on approach and are fully equipped to tackle any challenge within their international tax practice.

TECHNOLOGY

Virtual Assets: Understanding the tax implications of cryptocurrency investment

The increasing popularity of blockchain and its adoption by mainstream industry has focused international attention on the tax treatment of cryptocurrencies, app tokens, initial coin offerings ('ICOs') and crypto investment funds.

The Netherlands is one of Europe's most progressive nations with regard to the blockchain and has already developed extensive tax legislation to cope with these new concepts. The Dutch tax treatment of cryptocurrency for Dutch personal income tax (PIT) is complex and this article also considers the implications for corporate income tax (CIT) and value added tax (VAT).

Cryptocurrency is generally divided into categories, with a distinction made on the characteristics of the cryptocurrency and its representation. It can take the form of an asset token such as a debt or equity claim, a utility token providing access to a digital or other service, or a payment token (such as bitcoin or ether), which can be used as a virtual currency.

Dutch taxation of a cryptocurrency can differ dependent on these characteristics, but the monies owed can only be paid in fiat money (Euro) and not in any cryptocurrency.

Personal Income Tax (PIT)

Dutch tax residents are taxed in one of three ways:

- Income from employment or a business;
- Income from (substantial) shareholdings of 5 per cent or more;
- Income from passive investments and savings.

When a Dutch resident holds cryptocurrency, this will generally constitute income from passive investments. The deemed income ranges from 2.87 per cent to 5.39 per cent of the value of those passive assets and will be taxed at a rate of 30 per cent. However, under certain conditions, the cryptocurrency can be treated as income from employment or business, in which case the income and gains from the cryptocurrency will be taxed at progressive rates, with a maximum of 52 per cent.

This distinction between sorts of income depends on the source of income. To qualify as income from business, economic benefits need to be demonstrated. For example, if the holder of the cryptocurrencies performs activities that have a direct influence on the value of the cryptocurrency.

An example might apply to a utility token, if the holder of the cryptocurrency token also developed the user app, then the asset may be seen as income from employment.

Corporate Income Tax (CIT)

Dutch limited liability companies are subject to Dutch CIT at the rate of 20 to 25 per cent of worldwide income, whereas Dutch foundations (Stichtingen) which do not carry out business are, generally, not subject to Dutch CIT. A common initial coin offering (ICO) structure used in The Netherlands, employs a foundation to act as the ICO company and finance the funding needs of the operating entity, which would be a Dutch limited liability company (OpCo).

The financial relationship between the ICO company and the OpCo will mainly be for the prepayment of services or debt funding, as opposed to an equity participation in the operating company. The funding received from the ICO company should therefore not generate a direct Dutch CIT liability. The same would apply to the issuance of payment tokens.

The issuance of assets tokens may be seen as a sale of the underlying asset, which could result in corporate income tax for the 'deemed' seller of the asset that has been tokenised. Any other income generated by the OpCo, such as from the provision of services to other parties other than token holders, or profits from tokens held in deposit, is subject to Dutch CIT.

VAT

The VAT treatment of cryptocurrencies is more difficult to clarify and will depend on the characteristics of the cryptocurrency. In relation to the crypto currency itself, and the mining thereof, it is still not clear whether these should be considered as economic activities for VAT purposes, falling within the scope of VAT legislation.

When analysing the letter of the law of art. 135 paragraph 1 under d, e and f of the VAT Directive, we can state that the current framework does not yet offer enough support to include certain activities regarding cryptocurrencies within the scope of VAT exemptions.

The current opinion of the Court of Justice of the European Union is that no VAT is payable on the sale of bitcoins (payment tokens). The bitcoin is not seen as money, but has the same function (i.e. means of payment), and therefore any revenue arising from their issuance falls without the scope of the VAT.

Regarding utility tokens and asset tokens, no practical guidelines have been rendered. Hypothetically, utility tokens could qualify as compensation or the advance payment of a service which would result in being subject to VAT. Asset tokens could be exempt from tax if the underlying asset is exempt from VAT, but if that asset is subject to VAT so should the asset token be.



