ZEDRA Local Country Guide Payroll Capabilities

Netherlands

Reports

Netherlands payroll systems will output the following local payroll reports. Languages of reports are available as noted below:

Employee:

- Pay slips (Dutch/ENG)
- Annual statement

Employer:

- Monthly/Yearly payroll journal (Dutch/ENG)
- Monthly payslips (Dutch/ENG)
- Monthly/Yearly wage tax/social security filing (Dutch)
- Payroll register Summary (Dutch/ENG) Work related cost scheme (Dutch/ENG
- Monthly payment SEPA files Several Dashboards on salary, sickness, leave, absence, HRM

Country Specific Commentary

Specific requirements in-country include:

Onboarding/registration

Onboarding of the client; migration from another payroll provider:

- Very complicated and time-consuming migration of historical data (required at least the months of the same calendar year of detailed payroll calculations preceding (shadow payroll) before go-live, incl. all employee details, employer details, Wage tax details, all changes on employees fixed employee details as all monthly mutations.
- Where the implementation is conducted after January in the calendar year, it is necessary by Dutch law to recalculate previous payrolls back to the start of the calendar year in order to adjust governmental returns. In these instances, additional fees will apply and will be charged as additional processing periods for each month retrospectively calculated.

Set up client and registrations

- Within the payroll setup process, it will be figured if the tax registration will be for a resident or a non-resident employer. The tax number will be relevant for automatic wage tax withholding within payroll.

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- An initial investigation is necessary to determine whether there is a mandatory collective labour agreement and/or pension fund to be applied.

Compliance:

Payroll/legislation compliance

- Dutch legislation is highly regulated and takes compliance tasks such as Annual Expense Allowance scheme (WKR) and tax return/filing.
- Contents of HRM files is also regulated compliance wise.

Occupational Health and Safety Service

- Every employer must have its own agreement with occupational Health and Safety Service or company doctor: the basis contract. All workers must have access to company doctor and every company is obliged to work together with a company doctor.
- With this legislation on Occupational Health and Safety also a number of mandatory requirements within the policy are applicable in certain cases, such as; Risk inventory and evaluation (RI&E), sick leave policy, in-house emergency response (BHV), prevention officer, periodic occupational health examination (PAGO).

Payroll services ongoing:

- Monthly ongoing payroll includes one payroll cycle per month for salaried local national employed employees hired and paid in-country in local currency. The processing includes the client entering/verifying all permanent and variable employee payroll data and approving payroll results, processing of client inputs to produce and deliver a legally compliant local payroll including of filing of payroll tax and social contributions.
- Monthly ongoing payroll can also include one payroll cycle per month for salaried local national employed employees hired and paid in-country in local currency. The processing by the Dutch payroll team includes the delivered input by client and entering/verifying all permanent and variable employee payroll data and approving payroll results, to produce and deliver a legally compliant local payroll including of filing of payroll tax and social contributions. Entering and verifying permanent and variable employee data has to be considered as additional work.
- Coordinating payments of net salaries, payroll taxes, social security contributions, pension contributions, other deductions related to other third parties can be processed (not included in monthly fee). Foreign employees/expats can also be processed within Dutch local payroll system taken into consideration the following; compulsory insurance, taxability, Visa/Work permit, IND process, 30% ruling, salary split. In order to set up these employee records, research and advisory additional fees are applicable.
- Provision of import sheets to client in order to register monthly variables for monthly payroll processing such as; reimbursements of employee costs, expenses, travel allowance etc.
- Electronic/digital release of payslips/annual statement for employee in employee environment.

Local System Functionality

- Local system capabilities in-country include:

- Where Zedra technology is not used, Employee self-service; Digital/electronic payslip and annual statement.
- Provision of import sheets to client in order to register monthly variables for monthly payroll processing such as; reimbursements of employee costs, expenses, travel allowance etc..
- Where Zedra technology is not used, Employer access to the payroll system; monthly payroll output reporting

Additional Services

It is possible that additional local services may be required in specific local countries to support the global standard operating model. Below is a list of additionally chargeable services for your consideration:

- Occupational Health and Safety Service.
- Compliance on annual Expense Allowance Scheme (WKR) and, if applicable annual wage tax filing.
- Q4 optimalization Annual Expense Allowance Scheme (WKR Employment agreements) Services, applications and advisory with regards to 30% ruling, salary-split, compulsory insurance (A1 declarations).
- Employee/HRM file compliance.
- Team coaching (disc method, by DISC-certified HR advisors).
- Setting up employee benefit program.
- Setting up and execute employee appraisal process.
- IND process and work permits.
- Recruitment staff (non-management/directors).
- Interim HR positions on local office.
- Year-End/start up payroll compliance bundle:
  - **i.** Compliance check Expense Allowance Scheme (WKR) and filing if applicable, annual statements, years end closure; reconciliation of financial data payroll administration, implement changes in legislations, schemes of third parties such as pension, Occupational Health and Safety services, continued payment of wages insurance (Absenteeism insurance).
  - **ii.** Coordinating payments of net salaries, payroll taxes, social security contributions, pension contributions, other deductions related to other third parties.
  - **iii.** Services third parties such as: pension, Occupational Health and Safety services, continued payment of wages insurance (Absenteeism insurance); changes/mutations in employee data/salaries, verifications of payment bills, delivery of annual employee details and annual salaries and if applicable mandatory monthly periodic payroll statements.
  - **iv.** Advisory on Wage tax.
  - **v.** Advisory on Social Security.

vi. Advisory on HRM/employee benefits program.

vii. Advisory on Health and Sickness

viii. Advisory on Collective Labour Agreements (CLA).

ix. Overview employer costs employees.

x. Application and advisory on statutory leave.

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