

## **Zzp: Independent contractor without employees**

**If you work in the Netherlands as an independent contractor without employees (in Dutch: zzp'er) you are not considered an employer, and therefore do not fall under any collective agreement.**

### **Some of the consequences**

As a zzp'er you are subject to a number of rules, including:

- The rates and terms of employment you apply and the manner in which you conduct your business are determined by you, possibly in consultation with your clients.
- You do not enjoy the legal protection to which employers are entitled by virtue of law and collective agreement. This means that you lose your income if you get sick or run out of work.
- You are personally responsible for paying turnover/income tax and taking out the necessary insurances. Your clients are under no obligation to withhold income tax and national insurance contributions from the money they pay you.
- You are obliged to register with the Chamber of Commerce (in Dutch: Kamer van Koophandel). This link allows you to immediately register with the tax authorities.

### **Are you sure that you are a zzp'er?**

Dutch legislation does not provide an exact description of what a zzp'er is. You might agree with a client to work for him as a zzp'er, but the tax authorities ultimately decide whether you are treated as a zzp'er regarding taxes and national insurance contributions. If you do nothing, the tax authorities will only make their decision in retrospect, after the fiscal year has ended.

If the tax authorities decide that you have effectively been active as an employee, the consequences for you and your client will be considerable. For instance in the form of additional tax and national insurance contribution assessments.

### **Declaration of income tax status**

That is why it is important for you and your client to know in advance whether you are officially a zzp'er. Bearing this in mind you can request the tax authorities (in Dutch: Belastingdienst) to issue a declaration of independent contractor status (in Dutch: Verklaring arbeidsrelatie / VAR). You are the only person entitled to do so. The declaration is valid for one year and applies exclusively to the kind of work specified in it.

There are four different VARs. Only a VAR-wuo and a VAR-dga give you the guarantee that the tax authorities will treat you as a zzp'er and that your income will be regarded as turnover. Your clients will then be sure that they will not be issued any additional tax assessments for you.

You need to take into account that the tax authorities will not consider you a zzp'er if you fit more than one point of the following profile:

- you have only one or two customers;
- you cannot independently determine how you work.
- you do not do your own acquisition but find work via an intermediary or mediation firm;
- you do not maintain direct contact with customers and perhaps do not even know them;
- you do not determine your rates yourself (possibly in consultation with customers), your income does not vary, and you do not send you own invoices;
- the proofs of payment received by you do not specify any turnover tax (VAT);
- you are not registered with the Chamber of Commerce.

You can apply for a VAR electronically (languages: Dutch, English, German).

### **False independence? Report it!**

The choice of whether to work as an employer or a zzp'er is yours to make. Please note that there are customers who will only work with you on the basis of a zzp-contract, because it enables them to pay you less for more hours of service than hiring an employee. In practice, however, your status will effectively be that of an employee. If that happens, you will be working on the basis of false independence (in Dutch: schijnzelfstandigheid).

Has this happened to you, and do you get the impression that you are being taken advantage of? For example because you are being paid badly or forced to work unreasonable hours and/or confronted with unsafe working conditions? Then make sure to report this via the notification form found on this site. The employer's and employee's organisations for the Dutch construction industry want to fight this kind of abuse together with you.

The publications found on this site will help you to compare your rates with the wages and employment terms for employees in the construction industry.

### **Organised interest groups for zzp'ers**

There are various organised interest groups for zzp'ers active in the Netherlands. There is also a special organised interest group for zzp'ers working in the construction industry: FNV ZBo. (language: Dutch). Telephone: 0348 - 439 000 .