



Hire employees in Netherlands
simply, compliantly, and hassle-free

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What you need to know for employing in Netherlands

Employ remote teams worldwide with Omnipresent's Employer of Record (EOR) service. We combine human expertise with automation to deliver your compliance, payroll, benefits, and HR support needs.



Currency: Euro (€, EUR)



Language(s): Dutch



Employer costs: High



Termination: Hard



Onboarding Timeline: ~17 calendar days



Payroll Frequency: Monthly

Benefits

What we offer	Mandatory	Supplementary
Healthcare (Public)	✓	
Healthcare (Private)		✓
Retirement & Pension (Public)	✓	
Retirement & Pension (Supplementary)	✓	
Disability Insurance	✓	
Illness Insurance	✓	
Life Insurance	✓	
Workers' Compensation	✓	

Due to the extensive cover of mandatory benefits, additional benefits are not commonly offered.

Health

Healthcare is provided through the social security system (Health Care Insurance Act (ZVW) and the Long Term Care Act (WLZ)).

However, employees are required by law to take out their own private health insurance. It is common among top employers to contribute to this cost, typically 50% or a fixed amount.

Retirement

State pension (AOW) is part of the employees Social Security contributions (employers don't contribute to this). Employers are required to contribute to an Adequate Pension Plan. The employer contribution rate is 15.7% for 2023.

Employment Contracts

We offer indefinite, fixed-term, and part-time contracts in the Netherlands. For fixed-term contracts, restrictions in duration apply: successive fixed term contracts cannot exceed a total duration of 36 months or a total number of 3 contracts.

Contract Requirements

Omnipresent requires a written employment contract to outline the EOR terms and provide clarity for both employers and employees. Omnipresent ensures that all necessary key terms are included in the employment contracts we provide.

Contract language: English

Signature requirement: Digital - Qualified electronic signatures (QESs)

Backdating: Not possible as per Omnipresent's policy

Contract Customisation

We provide optional clauses for customisation when adding an employee to our platform. This allows you to tailor certain contract aspects, such as unlimited time off or extra-legal sick days. However, certain contract elements cannot be customised due to compliance risks or Omnipresent's policy. Examples include overtime, restrictive covenants, and stylistic changes.



Probation

During the probation period, employers evaluate an employee's suitability for the role they have been hired for. It gives the employer an opportunity to assess their performance and determine if they are a good fit for the company.

We believe that this process benefits both the employer and the employee. Here are some key points to know about the probation period:

- The probationary period in the Netherlands depends on the length of the employment contract and whether it is an indefinite-term contract or fixed-term contract:
 - For an indefinite-term contract or a fixed-term contract of at **least 2 years**, the maximum probation period is **2 months**.
 - If the fixed-term contract is more than 6 months to less than 2 years, then the maximum period is **1 month**.
 - If the fixed term contract is less than 6 months no probationary period is allowed.
- As a standard policy, we do not remove probationary periods from employment contracts. This is because including a probation period offers certain advantages such as lower termination costs, shorter termination procedures, and reduced exposure to disputes. We believe that these benefits outweigh the risks associated with removing the probationary period.

Please note that the only exception to our policy is in the case of a transfer of the employment relationship.

Onboarding

Timeline

Our normal onboarding timeline for the Netherlands is **around 17 calendar days**. The onboarding steps involved are: Platform Setup, Right-to-Work Check, Employment Contract, Benefits and Payroll enrollment. This timeline does not include exceptions such as visas and medical & background checks.

Registration & Approvals

We require a New Starter Checklist be filled out by the employee in order to add them to payroll.

Immigration & Visas

We can sponsor EU Blue Cards for employees that meet the requirements.

Right-to-Work

We will carry out right to work (RTW) checks and verify identification on all prospective employees before they are employed. There are no other mandatory checks.

New Highly Skilled expats may be entitled to 30% off their personal income tax if they meet certain conditions.

When moving your employees from another EOR to Omnipresent

If the employee has previously worked for you, whether in another country or through another EOR provider, we can recognise their length of service. This recognition of seniority will need to be mentioned in the employment contract and it is important that employment conditions are similar or better.

Leaves

Annual Leave Entitlement

The Netherlands offers a minimum of 20 working days paid annual leave, excluding public holidays, based on full-time employment. It is common practice to offer more than this. Market standard is 24/25 days, excluding public holidays.

Annual Leave Carryover

20 days of annual statutory leave can be carried over to six months after the calendar year. It is common practice in the Netherlands for employers to grant additional non-statutory holidays which may be carried over for up to five years.

The employer has obligations to make sure that their employees take up all their statutory annual leave and to inform the employee proactively about expiration dates in such a way that the employee is still able to use those days. If the employer fails to do so, the annual leave will not expire and the employee can use the leave at a later time.

Maternity Leave

Employees are entitled to a minimum of 16 weeks paid maternity leave from Employee Insurance Agency capped at daily statutory wage

- Expectant mothers are entitled to 6 weeks pregnancy leave before the due date and at least 10 weeks maternity leave after childbirth. In total the employee has a right to at least 16 weeks of leave.

- The leave can start later than 6 weeks before the due date however must start 4 weeks before the due date. Whatever less the employee takes before the due date, will add to the maternity leave after the child is born.
- If the employee is pregnant with more than 1 child, the employee is entitled to extended leave; 10 weeks before the birth and at least 10 weeks after the birth.

Paternity Leave

Employees are entitled to 1 week of fully paid paternity/partner leave after the birth of a child. This can be taken any time in the first 4 weeks after the birth and is paid by the employer.

Employees are also entitled to extended birth leave of 5 times the weekly working hours (five (5) weeks in case of full-time employment) within the first 6 months after the childbirth.

During this extended birth leave, the employee is entitled to social benefits from the Employment Insurance Agency (UWV), capped by 70% of the statutory maximum daily wage.

Sick Leave

In the Netherlands, employers are required to pay employees for up to 2 years (104 weeks) of paid sick leave.

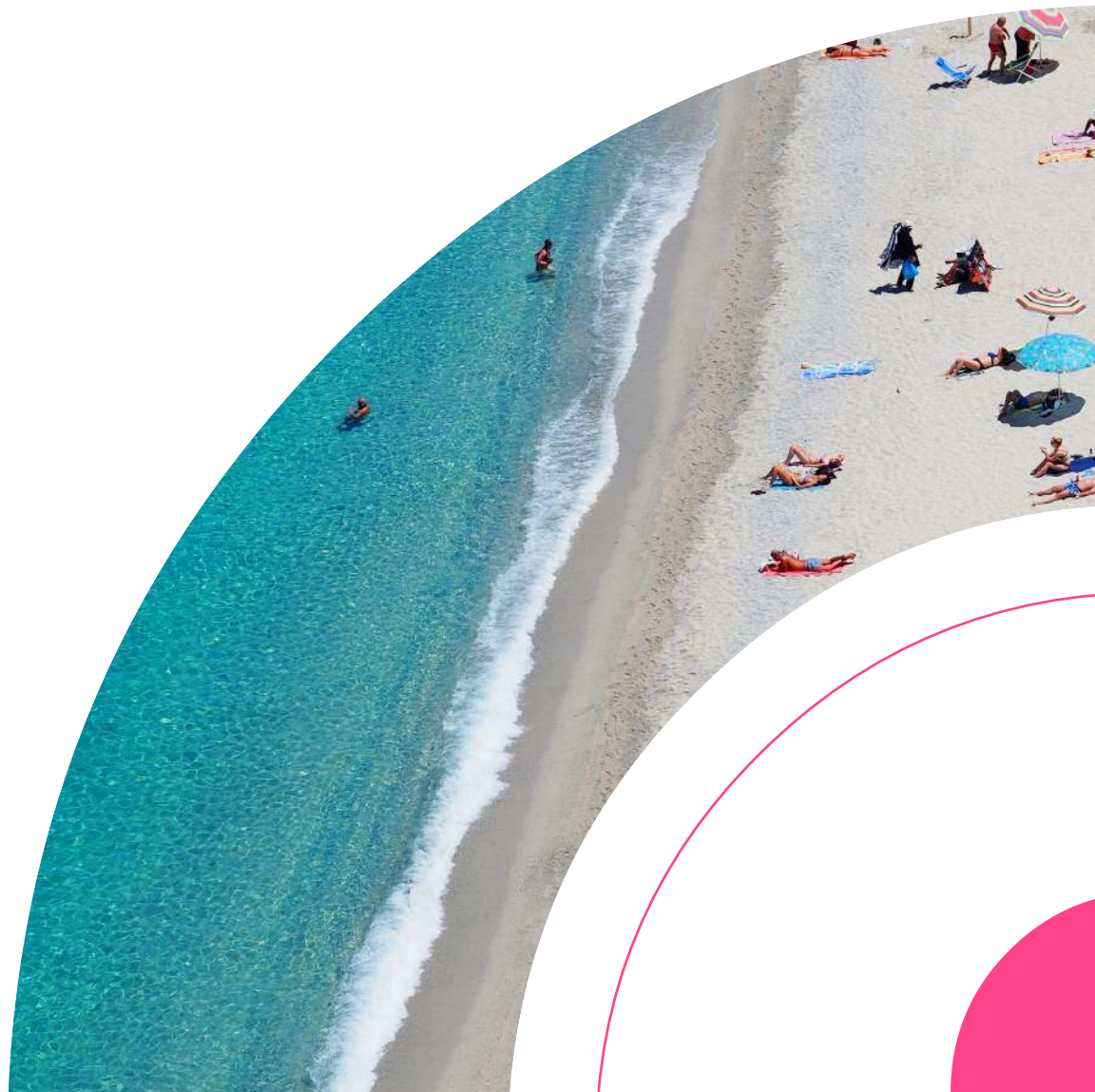
- In case of illness, an employee must notify the employer immediately on the first day of sickness. The employer must notify Omnipresent immediately so it can be processed.
- The employer will have to continue to pay the salary at a minimum of 70% of the daily social wage, during the first 2 years of continued sickness.
- The exact payment/percentage needs to be stated in the employment contract.
- During the first year of illness, the employer will be required to pay at least the minimum wage applicable to the employee.
- It is common practice in the Netherlands to pay 100% of the salary when the employee is sick (at least for the first year) and to pay less in the second year (for example 90%, 80% or 70%).

Public Holidays

The Netherlands currently has 11 regular holidays.

1. New Year's Day (Nieuwjaar)
2. Good Friday (Goede Vrijdag)
3. Easter Sunday (Pasen)
4. Easter Monday (Tweede paasdag)
5. Koningsdag (Koningsdag)
6. Liberation Day (Bevrijdingsdag)
7. Ascension Day (O.L.H. Hemelvaart)
8. Pentecost (Pinksteren)
9. Whit Monday (Tweede pinksterdag)
10. Christmas Day (Kerstmis)
11. Boxing Day (Tweede kerstdag)

*If a public holiday fall on a weekend, no substitute day is given



Payroll & Tax

Payroll Cycle

The payroll cycle in the Netherlands is monthly.

- Payroll runs from the **1st of the month to the end of the month**.
- Payroll cut-off date is **6th** of the month (any changes to payroll or variables must be shared with Omnipresent by this date).
- Payment date is the last working day of the month (this is when employees will receive their salary payment).

Extra Payments

(Bonus, Commission etc.)*

Employees receive a mandatory Vacation Allowance.

- The allowance is equivalent to 8% of the annual salary in the preceding year.
- The allowance is paid over 12 months and distributed amongst salary payments
- If the employee's wages constitute more than 3x the minimum wage per year, employers are not due 8% holiday allowance on the part that exceeds 3x the minimum salary.

Hourly Wage

Omnipresent is unable to accept employees on an hourly wage.

Minimum Wage

Minimum wage applies to all employees and depends on the employee's age. The minimum wage rates as of 1 July 2023 are:

Age	Minimum Wage (EUR)
21 years and older	EUR 1,995.00 gross per month
20 years	EUR 1,596.00 gross per month
19 years	EUR 1,197.00 gross per month
18 years	EUR 997.50 gross per month
17 years	EUR 788.05 gross per month
16 years	EUR 688.30 gross per month
15 years	EUR 598.50 gross per month

*The above rates are reviewed reviewed twice a year, on January 1 and July 1

Standard Work Schedule

The Standard work schedule in the Netherlands consists of 36 to 40 hours per week, with the work week running from Monday to Friday.

Employer Costs

The employer costs depend on a variety of employee variables. A guiding number is up to **35%** of the employees gross salary. To get a more detailed estimate based on the employee salary use the [OmniCalculator](#), or contact us for further information.

Terminations

Termination Process

Before proceeding with a termination (including verbal discussion with the employee about the risk of termination) you must first get in touch with Omnipresent. We will then provide guidance on next steps. You can read our [full guidance here](#). To initiate a termination, you need to submit a termination request through the OmniPlatform after which our relevant teams will assess the case and plan a compliant termination process.

Involuntary Termination

To terminate an employee, the employer has to request permission from the Employee Insurance Agency ('UWV') or file a dissolution request at the District court. The employer must have reasonable ground for dismissal (cause) and must have established that there is no suitable relocation of the employee to another suitable position in the company.

The law prescribes which institute is competent to rule per termination reason. The reasons for termination are listed exhaustively:

- Economic grounds (UWV),
- Long-term illness or disability (> 104 weeks) (UWV),
- Regular non-performance due to illness or disability (District Court),
- Poor performance (District Court),
- Culpable acts or omissions (District Court),
- Conscientious objection (District Court),
- Disturbed working relationship (District Court),

- Other grounds, which must be of such severe nature that continuation of the employment contract cannot reasonably be expected and cumulative dismissal based on more than 2 dismissal grounds (District Court).

However, demonstrating just cause for termination is hard.

Omnipresent's policy is to always pay full severance and execute a mutual termination agreement rather than moving forward with a unilateral dismissal.

Severance Pay

All employees from Day 1 are entitled to mandatory severance pay (called a "transitievergoeding" or "Transition Payment") equal to 1/3 of monthly salary for each year worked up to a maximum of EUR 89,000 (in 2023) or 1 year's salary whichever is highest.

This includes dismissal during probation, after probation and at the end of the contract term (in case of fixed term).

In some cases, statutory transition payment may not apply where employees are summarily dismissed. In case of termination initiated by the employee (resignation), the transition pay is only due if the employee has taken the initiative due to serious misconduct by the employer.

Notice Period

The notice period given to a terminated employee depends on their length of service. **The statutory notice periods are as follows:**

5 years of service	1 month
5 to 10 years of service	2 months
10 to 15 years of service	3 months
Over 15 years of service	4 months

Parties can agree to a contractual notice period, however in such cases the notice period of the employer must be at least twice as long as the notice period of the employee.

Contractual notice period must be above the statutory period.

Invoice Schedule

Setup Fees:

Once Terms are signed, Omnipresent begins deploying resources for the setup process.

Trigger [*Employee Details Added*]

Deposits:

Payable when the local employment contract is ready for signature. The deposit enables Omnipresent to move forward securely to sign the local employment contract with the employee.

Trigger [*Employee Details Added*]

Initial Salary Prepayment:

The first month's estimated labour costs are invoiced on the first day of employment.

Trigger [*Employment Start Date*]

Ongoing monthly Employment Costs and Fees:

Thereafter, we invoice monthly in arrears for labour costs - once the final payroll, taxes, insurance, social security contributions, expenses and deductions have been calculated. Each monthly invoice will include our monthly service fee, deposit insurance (if applicable), and an FX fee (if applicable).

Trigger [*Payroll Date*] Typically the last working day of the month, but varies by country.



Explore how Omnipresent simplifies global team growth.

Explore the effortless solution for your global hiring, payment, and management needs with Omnipresent. We simplify complex processes like onboarding, legal contract drafting, expense management, benefits allocation, and a whole lot more.

Start your journey towards compliant international business practices.

TALK WITH AN EXPERT

