

The image is a composite of three photographs of a modern building with large glass windows. The top photo shows a close-up of the building's facade with a green overlay. The middle photo shows people sitting at tables inside the building, with a green overlay. The bottom photo shows people sitting on a bench outside the building, with a green overlay.

30% Facility

TU/e

**EINDHOVEN
UNIVERSITY OF
TECHNOLOGY**

30% Facility

Employees who are seconded to work abroad or who come to work in the Netherlands from another country are referred to as extraterritorial employees. If these employees meet certain conditions, they fall under a special expense compensation scheme: the 30% facility.

This facility means that the employer may provide a part of the salary as an allowance for the additional expenses incurred due to the temporary stay of his employees in another country, or, if the employer attracts an employee from abroad, for his temporary stay in the Netherlands. This concerns a percentage of the salary from current employment, including the allowance itself. This allowance is untaxed. In the first 20 months the percentage is 30%, in the next 20 months 20%, and in the last 20 months 10%.

Employers are free to grant this allowance, as well as to cooperate with an employee's request for such an allowance. Application of the 30% facility, however, is subject to approval by the tax inspector.

Eindhoven University of Technology (TU/e) has incorporated the 30% facility into the Selection Model for Conditions of Employment. This means that as an employee you can exchange a part of your gross salary for a net expense allowance: the 30% expense allowance. This results in a higher net salary. Normally, you would not accrue a pension over the 30% expense allowance, but the advantage of including the 30% expense allowance in the Selection Model is that you also accrue a pension over the amount of the 30% expense allowance.

Using the 30% facility has several additional effects for you as an employee, including:

- The 30% expense allowance is calculated over the monthly salary, holiday allowance and end-of-year bonus.
- Because the 30% facility already allows you to make maximum financial use of the Selection Model, you cannot make use of the other money-related trade-off options in the Selection Model. Only time-related choices such as flexible working hours, saving for sabbatical, extending parental leave, etc. can be used.
- You cannot claim further expense allowances that qualify as extraterritorial expenses, for example an untaxed allowance for the costs of double accommodation or the costs of Dutch language courses.
- You are not eligible for a labor market allowance within the meaning of Article 3.13 of the CAO-NU.
- No contributions are levied for the employee insurance schemes (WW, WIA) on the untaxed expense allowance. Any future payment based on these schemes will therefore be lower.
- At the end of the period in which the 30% facility is applied, the net income will decrease. You are not entitled to compensation for this decrease.

Since January 1, 2013, PhD students who joined TU/e on or after 1 January 2012 can apply to participate in the 30% facility.

For the full content of the 30% facility, please visit the [Belastingdienst](#) website.

On the next page you will find a list of frequently asked questions and answers about the 30% facility.

This information was updated on January 15, 2024.

Frequently asked questions about the 30% facility

What does the 30% facility entail?

Employees who are seconded to work abroad or who come to work in the Netherlands from another country are referred to as extraterritorial employees. If these employees meet certain conditions, they fall under a special expense compensation scheme: the 30% facility.

This facility means that the employer may provide a part of the salary as an allowance for the additional expenses incurred due to the temporary stay of his employees in another country, or, if the employer attracts an employee from abroad, for his temporary stay in the Netherlands. This concerns a percentage of the salary from current employment, including the allowance itself. This allowance is untaxed. In the first 20 months the percentage is 30%, in the next 20 months 20%, and in the last 20 months 10%.

Employers are free to grant this allowance, as well as to cooperate with an employee's request for such an allowance. Application of the 30% facility, however, is subject to approval by the tax inspector.

Who is eligible for the 30% rule?

We distinguish two categories of employees who are eligible for participation in the 30% facility.

Incoming employees:

By this we mean employees who are employed by TU/e, have specific expertise and have lived at a distance of more than 150 km from the Dutch border for two-thirds of the 24 months prior to the appointment. The employment contract with TU/e will have been initiated when the employee lived abroad.

'Specific expertise' applies if the employee is appointed at TU/e to a scientific position (including PhD students) or to a non-scientific position with an annual salary of at least € 46,107 (2024).

An important exception to the above definition is made for employees who start working in the Netherlands within one year after obtaining their doctorate. For them, the period of residence within the Netherlands or within an area of 150 km from the Dutch border for doctoral study purposes is not taken into consideration when assessing whether they are an incoming employee. In this case, the doctoral candidate must have lived at a distance of at least 150 km from the Dutch border for at least two-thirds of the 24 months prior to the start of the doctoral research.

For employees who change employer, the designation of incoming employee takes effect from the moment that first employment in the Netherlands began.

Seconded employees:

In addition to incoming employees, outgoing employees are also eligible for the 30% facility. This concerns employees who are sent (or invited) from the Netherlands to undertake science (education or research) in another country. The employee must stay abroad for at least 45 days during a 12-month period.

How does participation in the 30% facility work?

Over the income, a percentage of the salary before income tax including the allowance is calculated. In the first 20 months the percentage is 30%, in the next 20 months 20%, and in the last 20 months 10%.

This amount is first deducted from the gross income and then paid as a tax-free allowance on top of the net salary. As an employee, you will not pay any wage tax on the amount of the allowance. The 30% facility is also applied to holiday pay and end-of-year bonuses, which provides an additional advantage. Please note: individual choices such as supplementary pension insurance, unpaid leave or parental leave may affect the amount of the allowance.

This applies to both incoming and employees and employees seconded abroad for a period of one year or longer. If you are seconded for less than one year, then customization will be required. If this is the case for you, ask the HR team of your department about the calculation in your situation.

Why is the 30% facility included in the Selection Model for Conditions of Employment and what does this mean for me if I participate in the 30% facility?

By incorporating the 30% facility into the Selection Model for Conditions of Employment, you can make optimum use of the tax benefits granted by the tax authorities. You will also build up a pension over the entire original salary (except if you are seconded abroad for less than a year).

However, participation in the 30% facility in the Selection Model for Conditions of Employment means that you can no longer make other choices that have money as their source and/or purpose, as these choices affect your taxable income. However, you can still make use of choices related to the 'time for time' trade-off. For example, using leave hours for flexible working hours or saving leave hours for a sabbatical leave.

How long can I make use of the 30% facility?

The tax authorities will decide whether the employee is eligible for the 30% facility. The date on which the decision is issued will determine the duration:

- issued as of January 1, 2024; the decision will be valid for a maximum of 5 years; in the first 20 months the percentage is 30%, in the next 20 months 20%, and in the last 20 months 10%;
- issued between January 1, 2019 and January 1, 2024: the decision will be valid for a maximum of 5 years; the percentage is 30%;
- issued between January 1, 2012 and January 1, 2019: the maximum term of the decision is 8 years, but due to a transitional arrangement, the end date may no longer be correct. Consult the website of the tax authorities for an [overview](#) of what the correct end date of the decision is.

How can I apply to participate in the 30% facility?

If you think you are eligible for the 30% facility, please contact the HR Services representative at your department or service. He/she can assist you further with the application procedure.