



# The state of Holland



**Presented in Prague May 2012,  
Interlegal meeting**



**GDP 2011, IMF, World Bank, CIA World Fact Book in Bln \$**

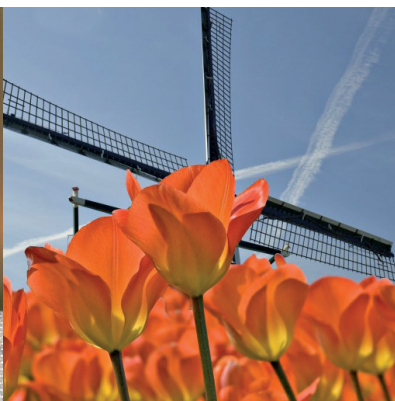
1. EU = \$ 17.500
2. US = \$ 15.000
3. China = \$ 7.300
4. Germany = \$ 3.500
5. France = \$ 2.750
6. Brazil = \$ 2.500
7. UK = \$ 2.400
8. Italy = \$ 2.200

**16. Netherlands = \$ 850**

27. Argentina = \$ 450
42. Portugal = \$ 240
178. Samoa = \$ 0,5

# Holland is tiny, yet large and still AAA (13)

- 7<sup>th</sup> economy in the world when GDP is divided by inhabitants.
- Nr 1 in the world concerning in- and outgoing investments (IMF 2010, DNB), even before US. Out: \$ 3700 bln, in: \$ 3000 bln.
- Human Development Index (UN 2011), 1. Norway, 2. Australia, 3. Netherlands.
- WHO (2012): Dutch kids are happiest (?), acc. Health Behavior in School-aged Children. Also: Belgium, Finland, Iceland. Not: Rumania.
- EGKS (European Union for Coal and Steel) est. 1951, Benelux, France, Italy, W-Germany.
- 1957: founding fathers EU (EEG), same countries.
- 2002: Euro est, biggest political event.
- 1.1.2007, Rumania and Bulgaria, now 27 EU members.
- Lost World Championship Soccer 2010 (from Spain).
- 16 mln. inhabitants.
- BENELUX, established 1944 London.
- 1958: economic Benelux union.
- 2010: Benelux Union, still more cooperation, legal, internal affairs, sustainable development.



VOORVAARTADVOCATEN

- Beatrix is our Queen.
- Herman van Rompuy president, one day a new US?
- Overseas areas: Suriname (1975), Dutch east Indies (1949), the Dutch Antilles, Curaçao, Bonaire, Aruba.
- 2010: Bonaire, Saba, St. Eustacius are municipalities of Holland.
- Main trading partners: Belgium, Germany.
- The Hague: 4 international tribunals, Interpol.
- A lot of natural gas in the north.

[www.voorvaartadvocaten.nl](http://www.voorvaartadvocaten.nl)



## Holland a tax paradise (for multinationals, Shell, Unilever, Philips, Ahold, etc)?

The Dutch government says **NO**; US says **YES** for 2 days (2011);

- A worldwide tax-treaty network favouring international companies who have a mailbox (office) address in Holland;
- No tax, or limited in producing country, nothing in Holland and then through to third country with low final rate;
- No tax on royalties (U2, Rolling Stones)
- Yearly carousel of capital (2010) € 123 bln. Tax: approximately € 1 bln. per year;
- Ruling practice with Dutch tax authorities;
- A lot of spin off for (service) workers, lawyers, bankers, travel, hotels, meetings, transport, hub-function.



## Some bad news as well:

- Coalition government (CDA, VVD, PVV) fell April 22 2012, new elections Sept 12, 2012;
- Two days later a package deal for sobering government spending was ready. EU deadline 30/4, 3% max deficit rule Brussels was kept.

## Main items:

- VAT rate 19% to 21%;
- Pension age goes up in 2013;
- Unemployment allowances paid by employers first 6 months;
- Bank tax doubles, € 300 m to € 600 m;
- No cuts for development aid (€ 750 mln);
- One off extra income tax € 500 mln;
- € 1,6 bln cuts in healthcare;
- Reduction of interest deduction mortgages;
- Alcohol, tobacco, soft drinks are taxed more;
- No increase of court fees, € 240 mln;
- All added up € 14 bln.



# VOORVAARTADVOCATEN

## Voorvaart Advocaten

- 6 specialised lawyers;
- fields: business law, tax, (international) contracts, labour, government, criminal, family, estate planning, inheritance, insurance;
- litigation and/or mediation;
- high quality service, good network of notaries, bankers and accountants;

## Some recent cases:

1. Contract evaluation for Austrian road builder for a huge construction tender (a special bridge) for Dutch government (granted) (2012);
2. € 1 mln. tax free for a Chinese student in Rotterdam after traffic accident (2011);
3. PIP (infamous breast-implants) case where product-liability for Dutch importer was denied (2010);
4. \$ 850.000,- settlement in German/Iraqi/US case for German client (2009);
5. Dutch government paid all damages (€ 700.000,-) in rare victory for employee after work related accident (2008).

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