



# WHITEPAPER TURNOVER TAX

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# YOUNG ONES

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# CHAPTER 1

# CHAPTER 1



## WHAT IS TURNOVER TAX?

As a freelancer, you have to pay VAT (btw) on your jobs. You will receive the VAT, but don't count yourself rich.... You must remit this VAT to the Tax Authorities (Belastingdienst in Dutch) at the end of each quarter. This is 21% on top of your hourly rate.

### TIP >>>

Are you taking advantage of the Small Businesses Scheme (kleineondernemersregeling, KOR)? Then you don't have to file a turnover tax (omzetbelasting) return. Don't know if you are taking advantage of the Small Businesses Scheme?

[READ THE WHITE PAPER ON THE SMALL BUSINESSES SCHEME>>>](#)

# WHEN DO YOU FILE A VAT RETURN?



TIP: DOWNLOAD VAT ALERT APP FOR A REMINDER



## VAT RECLAIM

### **What does it entail?**

As a freelancer, you sometimes buy products that you use for the business (business expenses). For these incurred expenses, you receive a purchase invoice from the supplier. In a store, this is usually a receipt. This 'invoice' contains the VAT (btw). You pay this to the supplier, but you can often reclaim it.

### **When can you reclaim VAT?**

You may only reclaim VAT if you do not use the Small Businesses Scheme. If you do use the Small Businesses Scheme, you may not.

**Do you want to know more about the Small Businesses Scheme? [Click here.](#)**

### **What is covered by business expenses?**

- You may reclaim VAT for the following products:
- Business phone calls
- Business travel expenses (car & public transport)
- Work clothes
- Specialised literature

**[Click here](#) for a detailed overview**

### **Input tax**

The total of all the VAT you paid is called input tax (voorbelasting). If you are liable for VAT, you may deduct the total VAT paid from the total VAT received.

## CHAPTER 2

## CHAPTER 2

### PLEASE NOTE

It is important to keep track of all expenses you receive and spend. This is necessary to calculate what you get back or what you still have to pay. Even if you haven't worked for a quarter, you must file turnover tax returns.



## HOW TO FILE TURNOVER TAX RETURNS?

1

### CALCULATE YOUR TURNOVER

You will receive 121% through YoungOnes. This is because 21% VAT was still paid on your hourly rate. You have to pay this VAT back to the Tax Authorities once during the quarter. So it's best to keep 21% of the amount you receive aside.

2

### CALCULATE YOUR INPUT TAX

All the tax you paid for business expenses can be reclaimed. This is often found on the invoice or receipt.

3

### CALCULATE WHAT YOU HAVE TO PAY

You may deduct the input tax from the amount you calculated in step 1.

4

### FILE THE TAX RETURN

The first time, you receive the declaration by letter. This will contain your login information. You go to the site of the Tax Authorities. Then click on 'log in as entrepreneur'. Here you fill in what you have to pay.

WE'LL TAKE YOU THROUGH, WITH 4 STEPS >>>

# 1

## HOW DO YOU CALCULATE TURNOVER?

### STEP 1: Put the tax received in a table

You open the invoice you received in the mail. This shows how much tax you received. You write this amount down in a table with the invoice date attached.

#### EXAMPLE TABLE

Date	Turnover	VAT (21%)
02/08	€64	€13,44
06/08	€102	€21,42
26/08	€48	€10,08
Totaal:	€214	€44,94

### STEP 2: Keep the tax separate

It is convenient to put the tax you receive right away into a separate savings account. This will prevent you from getting into trouble later with paying back the VAT. So in the example below, you keep 44.94 of tax separate over these 3 days.



# 2

## HOW TO CALCULATE INPUT TAX?

In 3 steps, we will take you through

### STEP 1 | Look up taxes paid

If you have incurred business expenses, then you can sometimes reclaim the VAT on these. The VAT you paid is shown on the invoice.

### STEP 2 | Put the taxes paid in a table

Put all the costs you incurred into a table. That way, you keep track of exactly how much you can claim back from the Tax Authorities at the end of the quarter.

### STEP 3 | Direct payment

If you opt for direct payment, the money is deposited directly into your account as soon as the client approves your hours. You can also reclaim VAT on this. Add this to the table.

### PLEASE NOTE

The Tax Authorities may ask for an audit. So make sure you always keep your receipts, invoices and statements. There is a record requirement of at least 7 years.

# 3

## HOW DO YOU CALCULATE WHAT YOU HAVE TO PAY?

### STEP 1 | Deduct input tax from tax received

The amount you have calculated in step 2 may be deducted from the amount in step 1. The amount you end up with is the amount you have to pay back to the Tax Authorities.

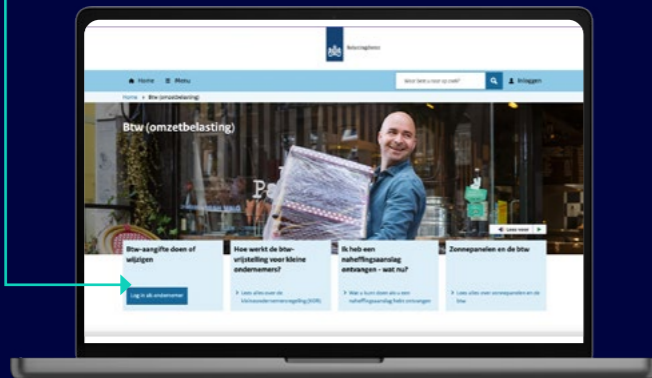


# 4

## HOW TO FILE TAX RETURNS?

### STEP 1: Tax Authorities website

Go to the website about turnover tax from the Tax Authorities. You can find it here. On the screen, you will see a heading to file or change VAT returns. Then click on 'log in as entrepreneur'. Then click on 'go to my Tax Authority business'.



### STEP 2: Follow the steps on the website

Click on 'turnover tax'. Under 'outstanding VAT returns' go to the VAT return of the period you want to complete and click 'start'. Send your return when everything has been completed. The screen will show whether the declaration has been received.

### STEP 3: Pay the tax

You will receive notification from the Tax Authorities. You will then transfer the VAT amount paid yourself to the account number provided in the mail.



## CHAPTER 3

## CHAPTER 3

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## GOOD TO KNOW

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- If you make use the Small Businesses Scheme then you don't have to file a tax return.
- If you haven't done any gigs for a quarter, but still have a VAT ID (btw-ID), you still have to file the return. Are you not doing this? Then you risk a fine.
- For the first three gigs, you do not have to do the turnover tax if you do not yet have a VAT number yet.
- The invoices you can easily download from the invoice overview of YoungOnes and in the app.
- You can mail these invoices to yourself, so you can keep them for a long time. Handy for when your laptop suddenly crashes.

### TIPS >>>

Need more tips? [Click here](#) for more information on turnover tax.



## DO YOU STILL HAVE QUESTIONS?

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Check our [helpdesk](#)  
Fill in the [contactform](#)  
Leave a [message](#)  
Check the [Belastingdienst](#) website



**SUCCES!**