

CUSTOMARY SALARY FOR A DIRECTOR AND MAJOR SHAREHOLDER

Advisory Handbook 2026



esj

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If you work for your own private limited company (bv), Dutch law requires that you receive a salary from this company. There are specific rules governing the amount of your salary, which must be a "customary salary". Whether a salary is customary depends on several factors. This Advisory Handbook outlines the most important rules for you.

WHO MUST RECEIVE A CUSTOMARY SALARY?

The customary salary regulation applies to anyone who:

- holds a substantial interest in a company, and
- also performs activities for that company.

Broadly speaking, an individual has a substantial interest if they:

- own at least 5% of the shares, and/or
- have the right to acquire at least 5% of the shares, and/or
- hold profit participation rights covering at least 5% of the annual profit or at least 5% of any liquidation distributions.

Based on these criteria, a director and major shareholder has a substantial interest and must therefore receive a customary salary from their own private limited company (bv).

Tip!

The rules determining whether an individual has a substantial interest can be complex. For example, you could have a substantial interest in a company even if you do not directly own shares but hold them indirectly through another company. It is therefore possible to have a substantial interest in multiple companies. We recommend consulting one of our advisors to assess whether you have a substantial interest, in which companies, and how the rules specifically apply to your situation.

Note!

This Advisory Handbook primarily focuses on substantial interests in private limited companies (bv). However, a substantial interest can also exist in other legal entities, such as membership rights in a cooperative or shares in other Dutch or foreign companies with share capital. The customary salary rules may apply to these situations as well.

CUSTOMARY SALARY FOR YOUR PARTNER, (GRAND)CHILDREN, AND (GRAND)PARENTS

Do you have a substantial interest in a private limited company (bv)? If your partner works for your bv, they must also receive a customary salary, even if they do not personally own shares, rights to shares, or profit participation rights in your company.

If your (grand)children, (grand)parents, or their partners hold shares or profit participation rights in your company, they must also receive a customary salary if they perform activities for your bv.

AMOUNT OF THE CUSTOMARY SALARY

If you have a substantial interest in a private limited company (bv) and perform activities for that company, your salary for 2026 must be set at the highest amount among the following:

- the salary from the most comparable employment position, or
- the salary of the highest-earning employee within your company or affiliated companies, or
- €58,000.

A company is considered an affiliated company if your bv holds at least a one-third interest in another bv, if another bv holds at least a one-third interest in your bv, or if a third party holds at least a one-third interest in both your bv and another bv.

The amount of €58,000 for 2026 represents an increase of €2,000 compared to 2025 (€56,000).

Please note!

Do your partner, (grand)children, (grand)parents, or their partners also have to receive a customary salary? Their salary must be determined using the same rules.

EXAMPLE OF A CUSTOMARY SALARY CALCULATION

The salary from the most comparable employment amounts to €62,000 in 2026. The salary of the highest-earning employee amounts to €47,000 in 2026. The customary salary amounts to €62,000 in 2026 (the highest amount of €62,000, €47,000, and €58,000).

SALARY OF THE HIGHEST-EARNING EMPLOYEE

Does your bv have multiple directors and major shareholders, and does a fellow director within the bv have a higher salary than you? If there are no other employees earning more, your fellow director's salary becomes the salary of the highest-earning employee. You must therefore take into account your fellow director's salary when calculating your customary salary.

Note!

This does not apply if directors and major shareholders hold their interests indirectly through a personal holding company. In this case, the salary of one director and major shareholder cannot be considered as the highest-earning employee salary for another director and major shareholder, as the personal holding companies must qualify as affiliated companies.

LOWER SALARY FROM THE MOST COMPARABLE EMPLOYMENT POSITION

Can you convincingly demonstrate that the calculated customary salary is higher than the salary from the most comparable employment position? If so, you may set your customary salary to match that lower salary. Discussions with the Dutch Tax and Customs Administration regarding this will particularly focus on whether your stated salary truly corresponds to the most comparable employment position.

Example:

In 2026, the salary from the most comparable employment position is €60,000, and the salary of the highest-earning employee is €65,000. Initially, your customary salary would be set at €65,000 (the highest of €60,000, €65,000, and €58,000). However, if you convincingly demonstrate that €65,000 exceeds the salary from the most comparable employment position, your customary salary will instead be set at €60,000.

LOWER SALARY IN OTHER SITUATIONS

In certain situations, you may apply a lower salary than the calculated customary salary. For example, start-up businesses can apply a lower salary for a maximum of three years if the bv cannot afford the customary salary due to initial start-up costs. Additionally, if your business consistently suffers significant losses threatening its continuity, you may also apply a lower salary.

Tip!

If you have a start-up business or face losses threatening your company's continuity, contact us to discuss the conditions under which a lower salary is permissible.

PART-TIME WORK

If you work part-time and can convincingly demonstrate this, you may proportionately calculate the salary from the most comparable employment position or the salary of the highest-earning employee based on your part-time percentage. You must adequately demonstrate that this part-time salary would also apply to the most comparable part-time employment position or the highest-earning part-time employee. However, you cannot proportionally adjust the standard amount of €58,000.

Example

You work part-time for your bv (50%). The full-time salary from the most comparable employment position is €64,000. The highest-earning employee's salary is €60,000. For assessing your customary salary, you may use €32,000 (50% of €64,000) and €30,000 (50% of €60,000), provided you convincingly demonstrate these amounts apply. Your customary salary for 2026 would then be €58,000, as it is the highest amount. Only if you convincingly demonstrate that the salary from the most comparable employment position is lower may your customary salary be set at this lower amount (€32,000).

Tip!

If your customary salary is no more than €5,000, you do not need to comply with customary salary rules, and you may choose not to pay yourself a salary. However, if you do pay a salary, you must maintain payroll records and deduct payroll tax—even if the salary is below €5,000.

WHICH SALARY COMPONENTS COUNT?

Once you have determined your customary salary, it is sometimes possible to set your regular salary at a lower amount. This is because, in addition to your regular cash salary, other salary components are also taken into account when evaluating whether your remuneration is customary. These include:

- the taxable benefit ('bijtelling') of your company car;
- other forms of salary in kind;
- reimbursements and provisions under the work-related expenses scheme, provided they can be individually attributed to you.

Example

Suppose the customary salary according to your calculation comes to €62,000. If you have a taxable benefit for your company car amounting to €10,000 per year, and you designate a reimbursement of €2,400 per year as exempt within the discretionary scope of the work-related expenses scheme, your regular salary only needs to be €49,600 instead of €62,000.

QUESTIONS?

In this Advisory Handbook, we have summarised the most important rules regarding the customary salary. Please contact us to discuss your own specific situation.

CONTACT

E-mail: info@esj.nl
Phone: +31 (0)88 0 320 600

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