



STIMULUS PROGRAMMES FOR INNOVATION

Advisory Handbook 2025



Innovation is a key factor for the future because stagnation means regression. This is why the government actively encourages companies to innovate through various stimulus and financing programmes. Are you curious if innovation could benefit your business?

WHAT IS INNOVATION?

As an entrepreneur, you are constantly seeking ways to enhance the value of your business. You think about how to improve and renew your products, services, and processes.

You respond to new market demands. This approach ensures your success, attracts customers, and helps you maintain a competitive edge.

A quick online search shows that innovation is synonymous with renewal. According to Statistics Netherlands (Centraal Bureau voor de Statistiek, CBS), innovation can be defined as all activities focused on renewal within a company. These innovations may be either technological or non-technological in nature.

- Technological Innovation: Refers to the development or significant improvement of products, services, or the processes used to create them.
- Non-Technological Innovation: Involves changes in organisational structures or methods.

WBSO FOR RESEARCH AND DEVELOPMENT ACTIVITIES

One of the most important fiscal stimulus programmes for innovation is the Research and Development (WBSO) scheme. The WBSO allows you to reduce the wage costs associated with research and development (R&D) within your company, as well as other R&D-related costs and expenses.

If you are a self-employed entrepreneur, you can also benefit from the WBSO. However, you must spend at least 500 hours per year on R&D activities.

ELIGIBLE PROJECTS

Two types of projects qualify under the WBSO:

1. Development of technically new (components of) physical products, physical production processes, or software.
2. Technical-scientific research.

Employers can receive a wage tax reduction for employees engaged in (qualified) R&D activities. Entrepreneurs involved in R&D work can apply the R&D deduction. However, the deduction or reduction is only possible if the Netherlands Enterprise Agency (RVO.nl) has issued an R&D declaration.

- Employers may submit a WBSO application up to four times per year.
- Self-employed entrepreneurs are not subject to this limit.

Your application must be submitted no later than the day before the application period begins. If your application period starts on May 1, you must submit your application by April 30 at the latest. There are two exceptions:

- For applications starting on January 1, you must submit them by December 20 of the previous year.
- For an additional application for the period October - December, the deadline is September 30.

For self-employed entrepreneurs without employees, the application period begins on the date the application is submitted and runs until the end of the calendar year.

Note!

Important Deadlines for 2025:

- September 30, 2025, for employers with employees (for the last quarter of 2025).
- September 30, 2025, for self-employed individuals (for the entire year 2025).

Due to the merger of the RDA (Research & Development Allowance) with the WBSO, you must indicate in your first WBSO application for 2025 whether you choose the actual costs and expenses or a standardised (forfaitary) amount.

WHAT ARE THE BENEFITS?

The R&D wage tax reduction in 2025 is calculated as follows:

- 36% of the total R&D (wage) costs and expenses up to €380,000.
- 16% on the excess above this amount.
- There is no upper limit for the R&D wage tax reduction.
- For entrepreneurs, the R&D deduction in 2025 amounts to €15,738.

If the wage tax due in a tax period is insufficient to fully apply a proportional share of the R&D wage tax reduction, you may offset the remaining amount against other tax periods within the calendar year to which the R&D declaration applies.

EXTRA BUDGET FOR START-UP COMPANIES

Employers recognised as start-ups are eligible for a 50% R&D wage tax reduction instead of 36% on the first €380,000 of total R&D (wage) costs and expenses.

You may be considered a start-up for a maximum of three years. Factors that may influence your qualification as a start-up include whether you continue activities from another business.

- Start-ups (private limited companies or public limited companies) must not have been withholding tax for at least one year in the past five calendar years.
- Self-employed start-ups can receive an additional R&D deduction of €7,875.

You qualify as an R&D deduction start-up if you were not an entrepreneur for one or more years in the previous five years and have not received the R&D deduction more than twice.

R&D ADMINISTRATION

You are required to maintain an R&D administration to document the execution of your projects. This administration must demonstrate which R&D activities were carried out and the time spent on them. The retention period is seven years.

If you chose "actual costs and expenses" rather than a standardised amount for your first WBSO application in 2025, you must also maintain an administration for these expenses.

You must report the actual R&D hours and any actual costs and expenses for each R&D declaration to RVO.nl within three months after the end of the calendar year.

All information about the WBSO can be found on [RVO.nl](https://www.rvo.nl).

INNOVATION BOX IN CORPORATE INCOME TAXES

If you have received an R&D declaration for your own innovation and operate within the scope of corporate income tax, the Innovation Box scheme may be of interest to you. This scheme allows you to significantly reduce the tax burden on profits derived from innovative activities. Instead of the standard maximum corporate income tax rate of 25.8%, an effective rate of 9% applies to these profits.

However, strict conditions apply. Access to the Innovation Box is only granted if you hold a valid R&D declaration (WBSO). For large companies—defined as those with a net (group) turnover of €250 million or more over a five-year period and gross benefits from innovative assets of €37.5 million or more within the same period—an additional access requirement is in place. Such companies must possess a second qualifying criterion, such as a patent, in addition to the R&D declaration.

NEXUS APPROACH

The Nexus Approach is a key aspect of the Innovation Box. In simple terms, this approach restricts the benefits you can claim if you outsource some or all of your R&D activities to a related entity, such as another part of your company or an affiliated company. Specifically, any benefits that can be attributed to the outsourced portion do not qualify for the Innovation Box's tax reduction.

STANDARDISED SCHEME (FORFAITARY SCHEME)

If your company qualifies for the Innovation Box, you may choose to apply a standardised (forfaitary) scheme. This scheme allows you to allocate 25% of your total profit as eligible for the Innovation Box. However, this allocation is capped at a maximum of €25,000.

The standardised scheme can be used for a maximum period of three years.

FINANCING SCHEMES FOR INNOVATION

The development of new products, services, and processes is an expensive undertaking. If you have an innovative idea but lack the necessary financial resources, the Innovation Credit (Innovatiekrediet) may offer a solution. This scheme provides funding for promising innovation projects. The Innovation Credit is a risk-bearing loan, meaning that repayment depends on the success of your innovation.

INTEREST STRUCTURE

Until 2022, the interest rate on Innovation Credit ranged from 7% to 10%, depending on the risk profile and the type of development project. Since 2022, a new interest structure applies to the repayment of Innovation Credit. This new structure consists of a base interest rate plus a fixed surcharge on the granted credit amount:

- For technical projects, a one-time fixed surcharge of 15% applies.
- For clinical projects, a one-time fixed surcharge of 25% applies.
- The base interest rate for 2024 is set at 3% compound interest.
- The surcharge itself is not subject to interest.

This change in structure came into effect on January 1, 2022, for all new applications.

EXCEPTIONS FOR EXISTING LOANS

Existing Innovation Credits granted before January 1, 2022, continue to follow the original interest structure. This includes both existing credits and any increase in existing credits that were granted before this date. The new interest structure is particularly favourable for long-term credits. However, if you repay a credit quickly, you may end up paying more interest than under the old structure.

GOVERNMENT GUARANTEES FOR LOANS (BMKB)

In addition to the Innovation Credit, the government offers various guarantee schemes to improve your access to financing. These guarantee schemes mean that the government partially guarantees loans provided by lenders, making it easier for you to obtain financing. One of the key guarantee schemes is the SME Credit Guarantee Scheme (BMKB).

HOW THE BMKB WORKS

If you are an innovative entrepreneur with an R&D declaration, you may benefit from the BMKB scheme. Under the standard BMKB scheme, the guarantee covers 50% of the loan granted by the bank, with the government guaranteeing 90% of this guaranteed portion.

- The BMKB is intended for small and medium-sized enterprises (SMEs) with no more than 250 employees and an annual turnover of up to €50 million or a balance sheet total of up to €43 million.
- The BMKB has been extended until July 1, 2027.
- For companies seeking credit of up to €333,333, 75% of the credit may be financed under the BMKB, instead of the standard 50%.
- The maximum credit available under the BMKB has been temporarily increased from €1 million to €1.5 million.

BMKB FOR SUSTAINABILITY (BMKB-G)

The BMKB scheme has also been expanded for investments in sustainability (BMKB-G). This expansion is also intended for SMEs with a maximum of 250 employees, an annual turnover of up to €50 million, or a balance sheet total of up to €43 million. The guarantee percentage for BMKB-G has been increased from 50% to 75% of the loan amount.

ELIGIBLE INVESTMENTS UNDER BMKB-G

This expanded guarantee scheme applies to:

- Business assets listed on the Energy List.
- Other assets associated with energy investments (with a maximum share of 50%).
- The adaptation or replacement of business premises to achieve at least Energy Label C.

SUBSIDY SCHEMES FOR INNOVATION

In addition to subsidies in the form of tax advantages or loans, direct financial subsidies are available to support innovation. These subsidies include:

- Subsidies for research and development.
- Subsidies for cooperation and joint innovation projects.
- Industry-specific subsidies.
- Regional subsidies for innovation.

For more information on these subsidies, you can visit [RVO.nl](https://rvo.nl) or [Ondernemersplein.nl](https://ondernemersplein.nl).

IF YOU FEEL OVERWHELMED

We have outlined a number of innovation schemes for you. However, there are many more options available. We understand that you may be interested in innovation but are unsure which schemes apply to your situation or how to proceed. Additionally, many of these schemes can be complex and have limited budgets.

Therefore, we encourage you to seek advice from us. We are here to help you further.

CONTACT

E-mail: info@esj.nl

Phone: +31 (0)88 0 320 600

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