



ASSOCIATIONS AND FOUNDATIONS

Advisory Handbook 2025



As a board member, you are committed to your association or foundation. It is therefore important to stay informed of current developments so you can respond appropriately to changes and take advantage of opportunities.

We have compiled several key updates for you, including:

- What is the difference between an ANBI and an SBBI?
- Is your organisation classified as an ANBI or an SBBI?
- Do you need to pay corporate income tax?
- Are you eligible for the volunteers' deduction, and what reimbursements can you make to volunteers?
- What does the canteen scheme involve?

WHEN ANBI?

ANBI stands for "public benefit organisation". Your association or foundation can only qualify as an ANBI if it is dedicated at least 90% to the public benefit and has been officially designated as such by the Dutch Tax and Customs Administration. A significant number of conditions and obligations must be met to obtain ANBI status. For further information, please contact us.

Note!

An ANBI is legally required to publish a substantial amount of information on its website. This includes the balance sheet, a statement of income and expenditure, and an explanatory note, all within six months of the end of the financial year. Ensure your association or foundation meets this obligation. Additional publication requirements are listed on the Dutch Tax and Customs Administration's website.

BURDEN OF PROOF

Organisations seeking ANBI status must demonstrate that their activities serve the public interest. This must be reflected not only in the articles of association but also in the actual activities undertaken. The operations of an ANBI must be directed towards specific goals that qualify as serving the public benefit.

In a recent case, an association conducted public benefit activities but also engaged in leisure and entertainment for its members. Without sufficient justification, these latter activities were not considered to serve the public interest. Due to the lack of substantiation, the court correctly denied ANBI status.

In another case, a foundation aimed at combating loneliness was assessed. It operated a website connecting individuals with shared interests and organised local support initiatives. The court ruled that the foundation qualified as an ANBI, as its activities fell under the broadly interpreted term "welfare".

ADVANTAGES OF ANBI STATUS

Holding ANBI status provides several advantages. For example:

- An ANBI is exempt from gift and inheritance tax on donations and legacies used for the public benefit;
- An ANBI may be eligible for partial refunds of energy tax;
- There are various tax advantages under corporate income tax;
- Donations to an ANBI are, under certain conditions, tax deductible for donors under income tax or corporate income tax.

SETTING UP AN ANBI

A dedicated [website](#) provided by the Dutch Tax and Customs Administration offers information about ANBIs, including a link to the application form and contact options for the ANBI team. This platform is particularly useful for those establishing a small or medium-sized ANBI, offering clear and practical guidance throughout the application process.

CLARIFIED EXPENDITURE CRITERIA

An ANBI may not retain more capital than necessary for its activities. Conditions have recently been clarified regarding permissible investments and expenditures:

- Investments must directly support or realise the ANBI's objectives.
- Expenditures must not relate to commercial activities primarily aimed at generating profit.
- If funds are invested through another organisation, that organisation must also use them in line with ANBI objectives.

Additionally:

- ANBI board members must not be involved in such investments.
- Investments must be documented in the administration and policy plan as serving the public benefit.

Note!

ANBIs not meeting the stated conditions must inform their tax inspector. The inspector may set a compliance deadline. Failure to comply may result in loss of ANBI status.

Tip!

The Dutch Tax and Customs Administration may designate an ANBI as a cultural ANBI, provided it operates at least 90% in the cultural sector. Cultural institutions benefit from additional allowances.

WHEN SBBI?

If your association or foundation does not meet the ANBI criteria, it may qualify as a “social interest promoting institution” (SBBI). An SBBI is not an ANBI but does serve a social interest, such as music clubs, sports teams, theatre groups, or local scout organisations. SBBIs are exempt from gift and inheritance tax on donations or legacies used for social interest purposes. Please contact us for the criteria.

Note!

If an SBBI donates more than €2,690 (2025), the recipient must pay gift tax unless they are also an ANBI or SBBI.

CORPORATE INCOME TAX UPDATES

Most associations and foundations are not liable for corporate income tax. However, tax liability arises if the organisation operates a business. Key factors include participation in economic activity and an intention to make a profit.

Note!

Articles of association often state that the organisation is non-profit. This alone does not exempt it from corporate income tax. The actual generation of profit is the decisive factor.

PROFIT EXEMPTION

If profit is generated, an exemption may apply if:

- Profit does not exceed €15,000 in a single year; or
- The combined profit over the current and four preceding years does not exceed €75,000.

This exemption applies to all associations and foundations, including newly established ones. The Supreme Court has confirmed this. If applicable, the Tax Administration will automatically issue a zero assessment.

Organisations are advised to indicate the exemption in their tax return under “explicit ruling from Tax Administration requested” by writing “exempt under Article 6 Corporate Income Tax Act”.

Tip!

If considering investment in residential property, it may be wise to await new government proposals. An organisation may choose not to apply the exemption—for example, to offset losses. This decision is binding for five years. After that period, a new choice may be made. If opting out, a written notification must be sent to the tax office before the first year’s assessment is finalised.

EXPENDITURE RESERVE

Cultural ANBIs or associations that serve a social interest and generate at least 70% of their profit through volunteers may create a tax-free expenditure reserve. There must be a clear intention to use the reserve, which must be spent in the same year or within five years. After five years, it must be added to profit.

DEDUCTION FOR FUNDRAISING ACTIVITIES

ANBIs may deduct fundraising costs from profits under certain conditions:

- At least 30% of activities must be carried out by volunteers.

Organisations that are not ANBIs but carry out only fundraising activities may also deduct donations to an ANBI if:

- At least 30% of the activities involve volunteers;
- It is clearly stated that at least 90% of proceeds go to a public benefit cause;
- The donation is made within six months of the end of the fundraising year.

VOLUNTEERS’ DEDUCTION

ANBIs and SBBIs may use a volunteers’ deduction under specific conditions. SBBIs may only use it if at least 70% of profit is generated through volunteer work.

The deduction allows profit to be reduced by an imputed wage based on the statutory minimum wage, minus any actual compensation. If a higher wage is customary and can be substantiated, it may be applied.

TAX LIABILITY FOR CULTURAL INSTITUTIONS

Cultural institutions may have both taxable and non-taxable activities. For example, profit from a museum shop is taxable; profit from cultural activities is not. Losses from non-taxable activities cannot be offset against taxable profits unless the institution opts for full corporate income tax liability. This decision is binding for ten years.

Tip!

Cultural institutions can still apply the profit exemption even if fully liable for corporate income tax.

WAGE TAX UPDATES

ANBIs may apply the volunteer scheme under wage tax rules. No wage tax is due on volunteer reimbursements if they do not exceed:

- €210 per month
- €2,100 per year (from 2025)

For hourly rates, the maximum allowed is:

- €5.60 per hour; or
- €3.30 per hour for volunteers under 21.

If a volunteer waives reimbursement, the waived amount may be considered a donation if:

1. The volunteer is entitled to reimbursement;
2. The organisation is willing and able to pay;
3. The volunteer can legally claim and freely dispose of the reimbursement.

Note!

A volunteer may only deduct such expenses if the ANBI provides a “volunteer declaration” (available from the Tax and Customs Administration website).

Tip!

Sports organisations or tax-exempt bodies may also apply the volunteer scheme. If an annual donation is linked to a volunteer reimbursement, it does not count as a periodic donation. A periodic donation must last at least five years and be of equal annual amounts. Linking the two disqualifies the deduction as a periodic donation, making it subject to less favourable tax rules. However, a structure involving both a fixed donation and separate volunteer reimbursement may partially qualify.

VAT UPDATES

Since 1 January 2019, the VAT exemption for sports activities has been broadened and is mandatory. It now also applies to services provided to non-members, such as training sessions. Non-profit organisations providing essential sports facilities are also covered. A revised definition of “profit motive” means that non-commercial organisations now qualify. The profit motive is assessed at the organisational level.

Provision of sports facilities is now taxed at the reduced 9% VAT rate. However, input VAT is no longer deductible. To offset this, a subsidy scheme is available:

- Municipalities: 17.5% of VAT-taxable sport-related expenditure.
- Sports organisations: up to 20%, capped at €2.5 million per year.
- No subsidies are granted under €2,500.
- An additional 10% subsidy is available for activities promoting sustainability and accessibility.
- An additional 30% subsidy is available for activities improving safety.

VAT EXEMPTION FOR FUNDRAISING

Fundraising activities by organisations with core VAT-exempt services (e.g., hospitals, care homes, youth and sports organisations, cultural or religious institutions) are fully exempt if:

- Fundraising sales are below €68,067 annually;
- Fundraising services are below €22,689 annually.

Note!

For sports clubs, the fundraising services threshold is €50,000. They cannot apply the canteen scheme. Therefore, canteen revenue is counted toward the €68,067 sales limit.

If either threshold is exceeded, VAT applies—unless due to exceptional, one-time circumstances or if the overage could not reasonably have been anticipated. Sales and services thresholds are assessed separately.

Tip!

Gifts, donations, and membership fees without direct return consideration do not count towards the thresholds.

Organisations such as music societies, community centres, or neighbourhood associations may apply the canteen scheme. Under this scheme, canteen revenue is VAT-exempt up to €68,067 annually and is separate from the fundraising exemption.

OTHER UPDATES

As of 1 July 2021, the Management and Supervision of Legal Entities Act (WBTR) introduced additional rules for boards of associations and foundations. The WBTR aims to prevent mismanagement and aligns rules with those already in place for NVs and BVs.

Key changes include:

- Board members are personally liable in bankruptcy cases involving serious misconduct (e.g., failure to insure against specific risks).
- Board members must not take part in decisions on matters where they have a conflicting personal interest.
- A board member may not cast more votes than the rest of the board combined. Existing contradictory provisions in the articles remain valid only until 1 July 2026 or until the next amendment, whichever comes first.
- If a small board has no members in office or available, no formal decisions may be taken. Articles of association must provide for decision-making in such situations, for instance via a committee.

Since 2019, charities have had a central contact point for recognition and ANBI applications. This follows an agreement with the Dutch Tax and Customs Administration. Recognition can be requested through the Central Bureau on Fundraising (CBF), allowing donors to identify trustworthy organisations. ANBI applications are still submitted digitally to the Tax Authority. The quality standards for recognition and ANBI status are identical, so a separate ANBI application is no longer needed. However, the Tax Authority may still assess ANBI status independently.

DONATION DEDUCTIONS: PROOF REQUIRED

Donors must be able to prove donations to claim deductions. A receipt or written statement is not sufficient. Donations should be made via bank transfer. As of 2021, cash donations are no longer tax-deductible.

HIGHER DEDUCTION FOR DONATIONS TO CULTURAL ANBIs

Higher deductions are available:

- Individuals may increase their deductible donations by 25%, up to €1,250 per year.
- Businesses may increase theirs by 50%, up to €2,500 per year.

DONATION TO SUPPORT FOUNDATION SBBI

A support foundation SBBI is a foundation set up to fund a jubilee event of a sports or music-related SBBI. Donations to such foundations are tax-deductible.

Note!

The support foundation must meet specific criteria. Further details are available [here](#).

SIMPLIFICATION OF PERIODIC DONATIONS

Since 2014, a notarial deed is no longer required for a periodic donation to be tax-deductible. Such donations to an ANBI or to an income-tax-exempt association with at least 25 members are fully deductible if recorded in a private agreement. The five-year minimum term (or until earlier death) still applies.

UBO REGISTER

Certain entities, including associations and foundations, must register in the UBO (ultimate beneficial owner) register. Failure to comply may result in sanctions.

The UBO is the individual who ultimately owns or controls the entity. The register aims to combat money laundering and terrorism financing. Registration is handled through the Dutch Chamber of Commerce (KVK).

Following a ruling by the European Court, the Dutch government has restricted public access to the register, citing privacy concerns. Since 22 November 2022, public access has been withdrawn.

CONTACT

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Disclaimer

This Advisory Handbook has been prepared with the greatest care. However, no rights can be derived from its content. Given its general and wide scope, this document is not intended to provide all the information required to make financial decisions.