



CUSTOMARY SALARY FOR DIRECTORS AND MAJOR SHAREHOLDERS

Advisory Handbook 2025



If you work for your own private limited company (BV), you are legally required to receive a salary from your BV. The amount of this salary must comply with specific rules, as it must be considered customary. Whether a salary is deemed customary depends on various factors. This advisory handbook outlines the most important rules for you.

WHO MUST RECEIVE A CUSTOMARY SALARY?

The customary salary scheme applies to anyone who:

- has a so-called substantial interest in a company, and
- performs work for that company.

In general, a person has a substantial interest if they:

- own at least 5% of the shares, and/or
- have the right to acquire 5% of the shares, and/or
- possess profit-sharing certificates related to at least 5% of the annual profit or at least 5% of the liquidation proceeds.

Based on these rules, a director and major shareholder must receive a customary salary from their own BV.

Tip!

The rules for determining whether someone has a substantial interest can be complex. For instance, you may also have a substantial interest in a company in which you do not directly hold shares, but rather indirectly through another company. Consequently, you may have a substantial interest in multiple companies. Consult with one of our advisors to determine if you have a substantial interest, which companies it applies to, and how the rules work in your specific case.

Note!

This advisory handbook primarily focuses on a substantial interest in a BV. However, a substantial interest can also exist in other entities. For example, this may include a membership right in a cooperative or shares in another (Dutch or foreign) company whose capital is wholly or partly divided into shares. The customary salary scheme may also apply in these situations.

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

If you have a substantial interest in a BV, your partner must also receive a customary salary if they perform work for your BV, even if they do not hold shares, have rights to acquire shares, or possess profit-sharing certificates in your BV.

If your (grand)children, (grand)parents, or their partners have shares or profit-sharing certificates in your BV, they must also receive a customary salary if they perform work for your BV.

AMOUNT OF CUSTOMARY SALARY

If you have a substantial interest in a BV and also perform work for this BV, your salary for 2025 must be set at the highest of the following amounts:

- The salary from the most comparable employment, or
- The salary of the highest-earning employee in your BV or affiliated BVs, or
- €56,000.

An affiliated BV is defined as any BV in which your BV holds at least one-third of the shares, another BV holds at least one-third of the shares in your BV, or a third party holds at least one-third of the shares in both your BV and another BV.

The amount of €56,000 in 2025 is unchanged from 2024. However, this amount was significantly increased in 2024. In 2023, it was €51,000, and in the years before, it increased from €46,000 in 2020, to €47,000 in 2021, and €48,000 in 2022.

Until 2022, you could still compare 75% of the salary from the most comparable employment. However, the 25% margin has been removed since 2023.

Important!

If your partner, (grand)children, (grand)parents, and their partners must also receive a customary salary, their salary is determined according to the same rules.

EXAMPLE OF CALCULATING THE CUSTOMARY SALARY

- The salary from the most comparable employment in 2025 is €62,000.
- The salary of the highest-earning employee in 2025 is €47,000.
- The customary salary for 2025 is therefore €62,000 (the highest of €62,000, €47,000, and €56,000).

LOWER SALARY BASED ON COMPARABLE EMPLOYMENT

If you can demonstrate that the calculated customary salary is higher than the salary from the most comparable employment, you may set the customary salary at the salary of the most comparable employment. Discussions with the Dutch Tax and Customs Administration will primarily focus on whether your claimed salary truly represents the salary of the most comparable employment.

Example

In 2025, the salary from the most comparable employment is €57,000, and the salary of the highest-earning employee is €60,000. Initially, the customary salary would be set at €60,000 (the highest of €57,000, €60,000, and €56,000). However, if you can demonstrate that this amount is higher than the salary from the most comparable employment, the customary salary will be set at €57,000.

LOWER SALARY IN OTHER SITUATIONS

In certain situations, you may choose a lower salary than the calculated customary salary. For instance, start-up companies can apply a lower salary for up to three years if the BV cannot afford to pay the customary salary due to start-up costs. The same applies if your company suffers consistent losses that threaten its continuity.

Tip!

If you are a start-up company or your company suffers such significant losses that its continuity is at risk, contact us for the conditions under which a lower salary is possible.

WORKING PART-TIME

If you work part-time and can substantiate this, you may calculate the salary from the most comparable employment or the highest-earning employee's salary based on your part-time percentage. However, you must sufficiently demonstrate that this part-time salary also applies to the most comparable part-time employment and/or the highest-earning part-time employee. The part-time percentage cannot be applied to the standard amount of €56,000.

Example

- You work part-time for your BV (50%).
- The salary from the most comparable full-time employment is €62,000.
- The salary of the highest-earning employee is €58,000.

For assessing the customary salary, you may use a salary of €31,000 (50% of €62,000) from the most comparable employment and €29,000 (50% of €58,000) from the highest-earning employee, provided you can demonstrate that this also applies to the most comparable part-time employment (50%) and the highest-earning part-time employee. Your customary salary for 2024 is set at €56,000, as this is the highest amount. Only if you can demonstrate that the salary from the most comparable employment is lower can you set the customary salary at this lower amount (€31,000).

Tip!

If your customary salary is €5,000 or less, you are not required to apply the customary salary scheme and may choose not to pay yourself any salary. If you do pay yourself a salary, you must maintain a salary administration and withhold wage tax, even if this salary is less than €5,000.

WHAT COUNTS AS SALARY?

Once you have determined your customary salary, your regular salary may sometimes be lower. Besides your regular salary in cash, other salary components are also considered for assessing whether your salary is customary. These include:

- The taxable benefit of a company car,
- Other benefits in kind,
- Reimbursements and provisions under the work-related costs scheme, provided they are individually assigned to you.

Example

If your calculated customary salary is €62,000, but you receive a taxable benefit for your company car of €10,000 per year and a €2,400 annual reimbursement under the work-related costs scheme, your regular salary only needs to be €49,600 instead of €62,000.

QUESTIONS?

This advisory handbook summarises the most important rules regarding the customary salary. For advice tailored to your specific situation, please contact us.

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Disclaimer

While this advisory handbook has been compiled with the utmost care, no liability is accepted for any inaccuracies or omissions. Given its broad and general nature, this handbook is not intended to provide all the information required for making financial decisions.