

Israel Desk E-mail Bulletin 23 | 5 October 2011

Proposed corporation tax and dividend tax amendments

On September 15, 2011, Dutch Government released a Tax Bill. The most important proposed amendments in the area of corporate taxation (dividend tax and corporation tax) are summarized below.

Corporation tax

- Further restriction of interest deduction in respect of acquisition debt.
- Elimination of immediate deductibility of non-Dutch permanent establishments losses.
- Limitation of taxation of non-Dutch-resident entities with a so-called substantial interest in a Dutch-resident entity.
- Expansion of research and development facilities.

Dividend tax

- Anti-abuse provision to subject certain distributions by cooperatives to dividend tax.
- Extension of dividend tax refunds to qualifying non-EU tax-exempt portfolio investors.

For more information on the amendments, please click on one of the links below.

- [a tax flash concerning the proposed amendments;](#)
- [a more detailed summary of the proposed amendments.](#)

Should you require any further information, please contact us.

Members of the Israel Desk visit Tel-Aviv on a regular basis. If you would like to make an appointment or would like to receive more information with respect to the above, please feel free to contact jeroen.janssen@loyensloeff.com (+31 20 578 54 00) or any other member of the Israel Desk. Please see also the [Israel Desk web page](#) for more information.

Colophon

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The members of the Israel Desk strongly focus on Israeli clients that invest or trade in Europe or other regions, as well as on international companies and financial institutions that want to expand their businesses to Israel. The team comprises members from various Loyens & Loeff practice groups.

The experience of the members as regards the Israeli market is combined with their extensive knowledge of international tax law, corporate structuring, banking and securities law, regulatory law, employment law. In addition to being part of the Israel Desk, the members also participate in Loyens & Loeff teams that focus on specific industries and sectors, such as energy, real estate, private equity, fund structuring, corporate finance, and financial products.

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