



# Factsheets on Existing Tools to Address Undeclared Work

<b>Title of the tool in English (Title in original language)</b>	The on-line Entrepreneur Check (Ondernemers Check) tool
<b>Country / geographical coverage</b>	The Netherlands
<b>Type of tool</b>	Online tool: Electronic system, Register, Database, Service
<b>Scope of the tool</b>	Nationwide tool
<b>Short description</b>	
<ul style="list-style-type: none"><li>• Key objectives and intended use (content, membership, topic coverage)</li></ul>	<p>The Entrepreneurs Check is an information and prevention tool for undeclared work, which provides guidance of how the tax authorities are going to assess whether a person is an entrepreneur, in order to declare his/her income correctly. The Entrepreneur Check is a simple online tool consisting of up to 20 questions about the person's employment relationship divided in four sections: autonomy, continuity, risk, and size. Thus, the check provides a tool to tackle the undeclared work related to misuse of (self)employment status.</p>
<ul style="list-style-type: none"><li>• How the tool operates in practice - key practical takeaways for other Platform members</li></ul>	<p>The Entrepreneur Check is an online self-assessment software tool and in general does not lead to any legal consequences in terms of tax investigation. It does not bind the tax administration either. But it provides guidance as to what factors would the tax administration consider when determining the employment status of a person for tax purposes at a time of inspection. Entrepreneurs in the Netherlands are entitled to pre-tax deductions, which reduces their tax bill in comparison to employees to take account of the higher risks they face. The answers to the questions of the Entrepreneur Check can be saved and later on provided to the tax authorities though they cannot be used as evidence of a choice of an employment status. If after answering the check a person is in doubt whether they would be considered entrepreneurs by the tax administration, they should contact the responsible office. Declaring the wrong tax status could lead to large retroactive tax charges. Thus, the tool serves as a preventive mechanism for undeclared work related to tax status misinterpretation. It is also an important information tool, which shows the public administration as a reliable partner to citizens.</p> <p>The Tax Administration applies the following criteria to determine whether a person would be regarded as an</p>

	<p>entrepreneur when paying income tax: the number of clients her/his business has; the degree of independence of the business; the activities performed as expressed in the share of time and income devoted; who bears the entrepreneurial risks; the business's position in the market; liability for debts incurred by the enterprise; whether profit is made, and the amount of profit made, etc.</p> <p>If a person meets the standards set, s/he will be entitled to "entrepreneur facilities". These are allowable deductions before taxes, such as investment allowance, tax-deferred retirement reserve and entrepreneur's allowance.</p>
<b>Background</b>	
<ul style="list-style-type: none"> <li>• Authorities/bodies/organisations involved in its elaboration</li> </ul>	Dutch tax authorities
<ul style="list-style-type: none"> <li>• Targeted groups or institutions</li> </ul>	Entrepreneurs
<ul style="list-style-type: none"> <li>• Start date and duration</li> </ul>	2016, ongoing
<ul style="list-style-type: none"> <li>• Short assessment of transferability potential in the EU</li> </ul>	<p>This practice is transferable to those countries with differences in tax regulations for entrepreneurs, self-employed and employees. There is no specific investment required, therefore it can be easily adapted on any platform. The tool is a useful information addition in tackling undeclared work in the cases where there is a difference in the social and health security regulations between entrepreneurs and (self-)employment.</p>
<b>Sources (provide links if available online)</b>	<p><a href="https://www.belastingdienst-ondernemerscheck.nl/">https://www.belastingdienst-ondernemerscheck.nl/</a>  <a href="http://www.zogoedgeregeld.nl/voor-zzp-ers/ondernemerscheck-dba">http://www.zogoedgeregeld.nl/voor-zzp-ers/ondernemerscheck-dba</a>  <a href="https://www.nvj.nl/nieuws/belastingdienst-lanceert-ondernemerschec">https://www.nvj.nl/nieuws/belastingdienst-lanceert-ondernemerschec</a>  <a href="http://www.expatica.com/nl/finance/Doing-your-taxes-as-a-self-employed-entrepreneur-in-the-Netherlands_105638.html">http://www.expatica.com/nl/finance/Doing-your-taxes-as-a-self-employed-entrepreneur-in-the-Netherlands_105638.html</a></p>
<b>Metadata and key words for online search</b>	entrepreneurs, tax check, questionnaire, bogus self-employment, self-regulation, awareness raising, Netherlands