

**NOW**  
**Noodfonds**  
**Overbrugging**  
**Werkgelegenheid**

## What are the most recent updates and insights on NOW

- The government decided the NOW grant can be extended by three months, they are working out the conditions right now. Go [here](#) for more information.
- If the company is part of a concern you could only apply based on concern level, per payroll and tax number and the calculation was based on concern level. A recent change in the NOW makes it possible for companies who are part of a concern to independently submit a NOW application under certain conditions. Go [here](#) for more information.
- You commit in advance to the obligation to not apply for dismissal based on economic reasons (ontslag wegens bedrijfseconomische redenen) for your employees during the period for which the allowance is granted. If you do, then you will be fined. Go [here](#) for more information.

# What phase are you in?

Click on the phase for the Q&A

## Phase 2

I want to apply for  
NOW. How can I  
prepare?

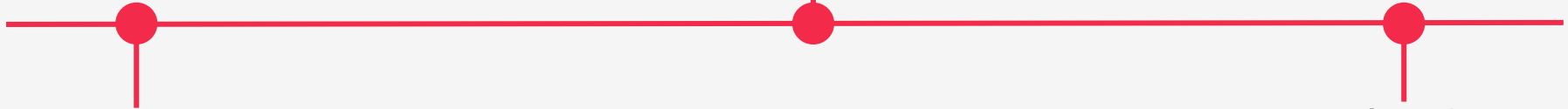
## Phase 3

What is the process for  
applying?

## Phase 1

I'm thinking about  
NOW.

What questions should I  
ask myself?



# Phase 1

## I'm thinking about NOW

### What questions should I ask myself?

Click on the question

Communication is key! How?

What is the Noodfonds Overbrugging  
Werkgelegenheid (NOW)?

Can I ask my employees to do other work than their  
official job?

If I decide to continue this process and apply for  
NOW, what is the effect for my employees?

Can I ask my team member to use vacation days or  
unpaid leave?

I have a Works Council (Ondernemingsraad). Do I  
need their consent?

## Communication is key! How?

We received many questions how, when and what to communicate with your people. In this period of insecurity for you as an entrepreneur and your employees, it is more important than ever to be transparent.

So the best advice we can give you is:

1. Set up a daily corona update call with your team
2. Check in how everyone is doing, what is going on in their department, what their struggles are and how can you help them
3. And give them a short company update

## Can I ask my employees to do other work other than their official job?

Ask yourself if the employees who temporarily have less work, can perhaps help out in another department or with different projects/tasks.

### *Is this allowed by law?*

If there is a clause in the employment contract which states that the employee must perform all occurring and / or reasonably assignable tasks, then you can ask him/her to temporarily perform other tasks than their own.

If there is not such a clause then several legal rulings say that an employee may not simply react negatively to a reasonable proposal from the employer. And we strongly believe that in crisis times like this, a proposal of such sort is reasonable.

## Can I ask my team member to use vacation days or unpaid leave?

There isn't a single, general solution or answer to the question whether or not you can ask your employee to use their vacation days or unpaid leave. We all know this is not a vacation and we are all forced in this situation. We have to help and take care of each other. You have to look at every situation individually. There is no law for this situation.

It depends

- how is your company doing financially, can you make use of the NOW
- is there a reduction of the workload
- is your team member also responsible for the care of their children at home (with partner or without partner)

Of course you can always ask your team member to use his/her vacation days or take unpaid leave. If this is financially difficult for your team member then maybe a 50/50 agreement works better. Look at the possibilities together with your team members. **Unpaid leave affects your salary costs and indirectly the NOW payment.**

[<< Main menu](#)

[<< Back to phase 1 menu](#)

## What is the Noodfonds Overbrugging Werkgelegenheid?

“Noodfonds Overbrugging Werkgelegenheid” also referred to as NOW is a temporary measure to gain a substantial compensation for the salary costs. This is to cover the salary costs of your employees with a permanent or fixed term contract, including employees working flexible hours. The main goal is to keep people employed during this Corona period.

As an employer you can apply for a substantial contribution in wage cost, based on a revenue reduction of at least 20% during a period of 3 months (March, April, May) . You will receive the compensation by the UWV.

The allowance can in any case be applied for for 3 months, with the possibility of extension (possibly under other conditions) by another 3 months.

If you already applied for the Werktijdverkorting you have received an email from SZW.

You can find all the actual information on the [website](#) from the national government.



## If I decide to continue this process and apply for NOW, what is the effect for my employees?

- You will pay them a normal salary as you are used to do. The allowance you receive from the government is to compensate you in the labour costs during these stressful times under the condition that you continue to pay 100% wages.
- Different to the former “Werktijdverkortingsregeling”, this new NOW doesn't have any impact on your employees rights for unemployment benefits (WW-rechten).
- You can still discuss with your employees if they are willing to take (unpaid) leave. This allowance is focused on compensating labour costs. If there is still less work to be done, talk to your employees about any form of (unpaid) leave.

## **I have a Works Council (Ondernemingsraad). Do I need their consent?**

You need consent from you Work Council if you apply for the NOW grant and are part of a concern. Go [here](#) for more information.

Otherwise there is no consent needed from the Work Council.

**Our advice** is as follows:

It is important to keep the communication lines with your works council short, because you want to act quickly when needed. Discuss a possible NOW application in advance with your works council and discuss the risks and consequences. But be aware that some consequences, such as using up employment benefit rights for the employees which we had in the “Werktijdverkorting” are gone.

## Phase 2

# I am applying for NOW. How should I prepare?

[Click on the question](#)

What are the conditions for NOW I have to think about before applying?

How do I determine my revenue drop?

What is the impact of NOW?

What are the consequences if I do apply for dismissal based on economic reasons?

What if I'm part of a concern?

For which employees can you apply?

How can I prepare and calculate my NOW grant?

Will the UWV also compensate my forecasted revenue based on expected growth?

What is the length of the period that I can make use of NOW?

## What are the **conditions** for NOW I have to think about before applying?

- You have a significant drop in revenue of at least 20% in three consecutive months within the timeframe march-july
- The revenue drop is a result of the extraordinary circumstances. Which for example relates to the government intervention and public order measures.
- You can apply for substantial contribution in wage costs for all employees under employment contract with your organisation. Temporary employment agencies can apply for wage costs for workers who work for them.
- You commit in advance to the obligation to not apply for dismissal based on economic reasons (ontslag wegens bedrijfseconomische redenen) for your employees during the period for which the allowance is granted.
- Termination of employment during the probationary period (proeftijd), temporary contract or by means of a settlement agreement (VSO) is still possible. But the reason can't be of economic reasons!

## What are the *consequences* if I do apply for dismissal based on economic reasons?

If you do apply for dismissal based on economic reasons, the grant will be corrected afterwards.

The calculation is as follows:

- You take the SV salary (SV loon) over January 2020 (or November 2019) of the employee(s) for whom you applied for dismissal.
- You increase this salary with 50%.
- You multiply this amount by three (since the grant is for three months).
- You multiply this amount again with the 30% surcharge.
- Finally, multiply this amount by 0.9 (percentage of the subsidy grant).

The UWV deducts this amount from the wage bill on which the final grant is based (January 2020 or November 2019).

# How can I prepare and calculate my NOW grant?

## For which period can I apply?

- You apply for the NOW grant for the wage bill (loonsom) in **March, April and May** 2020 in connection with a revenue drop of 20% or more.
- When you expect the effect revenue drop later than March you can indicate that you want the measurement period for the comparison to start one or two months later (**April-May-June** OR **May-June-July**).

## Wage Bill (loonsom)

- The calculation is always based on the wage bill (loonsom) of March, April and May 2020.
- The first calculation is based on your wage bill (loonsom) of November 2019 or January 2020. The UWV will make a correction afterwards based on the actual wage bill (loonsom) of March, April and May 2020.
- Note that the UWV uses a maximum base gross salary of € 9538,-

# How do I determine my revenue drop?

- You compare the expected revenue from March, April and May 2020 with the average quarterly revenue you had in 2019.
- You determine your average quarterly revenue of 2019 by dividing your revenue of 2019 by four. Be as accurate and realistic as possible. Expected growth or seasonal influences aren't taken into account.
- If you started your company in 2019 and didn't build your revenue over a whole year, then you add your revenue of January and February 2020.  
For example if you started your company July 1, 2019 then you add the revenue of January and February 2020. Then you have a revenue over 8 months. You divide the total revenue by 8 months and you multiply with 3 months. This is your average quarterly revenue for the NOW calculation.
- If the difference between the average quarterly revenue of 2019 and the revenue of March, April and May 2020 (or April-May-June OR May-June-July) is 20% or more? Then you are eligible for the NOW

## What if I'm part of a concern?

If the company is part of a concern you could previously only apply based on concern level, per payroll and tax number. The calculation for NOW was based on concern level.

A recent change in the NOW makes it possible for companies who are part of a concern to independently submit a NOW application under certain conditions.

### Conditions

- The most important condition is that concerns who have one or several companies who are receiving the NOW grant, must declare that they will not pay dividends, bonuses or repurchase own shares over the year 2020.
- You need consent of your employees via the work council, union or other.
- There will be additional requirements for the declaration from the accountant.

You can find more information on the website of the [Rijksoverheid](#)



## **Will the UWV also compensate my forecasted revenue based on expected growth?**

Unfortunately not, seasonal influences and forecasted revenue based on expected growth isn't taken into account. The calculation of the NOW grant is based on the average revenue made in 2019.

# What is the impact of NOW?

If you are entitled to NOW allowance you will receive an allowance to compensate your labour costs. The **maximum** compensation is 90% of the labour costs.

The amount of the allowance depends on the drop in revenue. The following list has been published by the government:

- If 100% of the revenue is lost, the allowance amounts to 90% of the total salary costs of an employer;
- If 50% of the revenue is lost, the allowance amounts to 45% of the total salary costs of an employer;
- If 25% of the revenue is lost, the allowance amounts to 22.5% of the total salary costs of an employer.
- If 20% of the revenue is lost, the allowance amount to 18% of the total salary costs of an employer.

Based on the application, the UWV will provide an advance of 80% of the expected contribution. The actual decline in revenue (and so the actual amount of the allowance) will be determined afterwards.

## For which employees can you apply?

- Employees with a permanent contract
- Employees with a fixed term contract
- Employees working flexible hours like on-call workers (oproepkrachten met een nul-urenovereenkomst)

Temporary workers staffed by a staffing agency, are not formally employed by you as an employer. Their staffing agency has the ability to apply for NOW themselves. Please direct your temporary workers to their own staffing agency.

## What is the length of the period that I can use NOW?

The allowance is granted for a period of 3 months. This can be extended **once** by another 3 months.

The government decided they will extend the NOW and are now working out the conditions and details.

What we already heard is that they will release the prohibition of dismissal on economic ground and that they might ask employers to offer their employees the possibility to develop themselves by offering education, training or coaching.

## Phase 3

# What is the process for applying?

[Click on the question](#)

How to apply for NOW?

How and when will the UWV perform the audit?

Which information do I need for the application?

I have applied for Werktijdverkorting (WTV) in the old situation. What happens now with NOW?

How long to I have to wait for the NOW grant

## How to Apply for NOW

As from April 6, you can apply voor the NOW. They expect a great amount of registrations, so they are ready for us!

- When the process starts you can apply for the NOW at [UWV](#)
- The application process closes at May 31, 2020
- You will receive an advance payment of 80% in 2 to 4 weeks
- The advance is paid in 3 installments
- Within 22 weeks after the measurement period (of the drop in revenue) you must request the UWV to determine the subsidy

## Which information do I need for the application?

- General company information like name, payroll tax number
- Your revenue numbers for 2019.
- Your revenue numbers for the months March - April - May 2020 (or April-May-June OR May-June-July)
- The UWV will automatically use the wage bill of January 2020 or November 2019 (corrections are made later based on the wage bill of March-April-May but you don't have those yet)

## How long do I have to wait for the NOW grant?

- If NOW is granted, the UWV will provide you with an advance payment of 80% of the calculated allowance within 2 to 4 weeks.



## How and when will the UWV perform the audit?

- Within 24 weeks after the the period you received the NOW grant you have to actively submit an application to definitively determine the subsidy.
- Based on this information the UWV will recalculate the grant and within 52 weeks will make a final settlement which can be higher or lower than the granted NOW. The UWV can ask you for an auditor report to substantiate the allowance.

# **I have applied for Werktijdverkorting (WTV) in the old situation. What happens now with NOW?**

You have received an email from the Ministry of Social Affairs stating the following:

1. You have applied for and received a WTV permit: the permit applies to you according to the old regulation. Renewal of this permit is no longer possible. You can submit an application based on the new regulation. The new regulation will provide insight into the course of action in the event of a convergence of the WTV with the possibility of using this new regulation.
2. Your application for the WTV was initially rejected: you can now submit an application for the new NOW regulation.
3. You have submitted an application that has not yet been processed: you will receive an email from the Ministry of SZW in which they mention your application will be considered as an application based on the new regulation and will also be handled according to this new regulation. As soon as the new NOW regulation starts, you will receive a message from the Ministry of SZW about the additional information to be supplied.

# VIE

Do you need advice or do you have any questions? Call our  
“NOW Squad” leader Susanne Boot +31 6 334 251 36 or use our  
chat function on [www.viepeople.com](http://www.viepeople.com)