



Individual choices model Regulations

Keuzemodel Arbeidsvoorwaarden Reglement

Additional VU Amsterdam rules relating to chapter 5 of the Collective Labour Agreement for Dutch universities. These additional rules are applicable on the basis of Article 1.4.4 of the collective labour agreement.

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Introduction

These regulations indicate which of VU Amsterdam's rules (or additional rules) are applicable to the use of the Individual choices model as referred to in Chapter 5 of the Collective Labour Agreement. The Individual choices model enables VU Amsterdam employees to adapt their terms and conditions of employment to suit their own personal circumstances, which might involve making use of the opportunities offered to employers by tax legislation to organise payments to take advantage of the available tax benefits. In some cases, however, the adjustment of terms and conditions of employment may lead to adverse side effects.

Section 1 - General provisions

Article 1.1

These regulations supplement Chapter 5 of the Collective Labour Agreement for Dutch Universities, hereinafter referred to as the Collective Labour Agreement.

Article 1.2

The Individual choices model Regulations took effect on 1 January 2002, were amended with effect from 1 October 2010, subsequently with effect from 1 January 2013, with effect from 1 January 2015 and with effect from 1 September 2017, 1 January 2018, and last amended with effect from 1 January 2023.

Article 1.3

Employees, as referred to in Article 1.1 (under f) of the Collective Labour Agreement, with the exception of stand-by workers (Collective Labour Agreement Article 2.6 (1)), are entitled to participate in the Individual choices model.

Section 2 - Individual choices model

The employee can use the self-service option *Individual choices model* in a particular calendar year to use some of their employment conditions and receive compensation for specific costs incurred with tax advantages. The employee can also buy or sell holiday leave.

Article 2.1

Sources in time

1. As a source, time is defined as 76 holiday leave hours per calendar year, in which holiday leave hours are:

- the hours pursuant to Article 4.7 of the collective labour agreement as far as these exceed the entitlement to the statutory minimum under Article 7: 634 of the Dutch Civil Code (BW)
- additional hours of holiday leave, as referred to in Article 5.6 (2) of the collective labour agreement

2. In accordance with Article 5.7 (2) of the collective labour agreement, the value of an hour is a fixed percentage of the full-time monthly salary. The value of one hour of holiday leave is set at 0.704% of the full-time monthly salary.

3. If holiday leave accrual changes (possibly temporarily) in full or in part due to special leave or parental leave, then the number of hours available may be inadequate for the selected choice. Where necessary, any leave deficits or excesses are settled in accordance with the provisions of Article 6.2.

Article 2.2

Monetary sources

1. Salary: as a source, the employee can select salary, including any valid fixed allowances, subject to the restriction that the amount remaining must at least be equal to the minimum amounts cited in the Minimum Wage Act.
2. Holiday allowance: the employee can use the holiday allowance in accordance with collective labour agreement Article 3.11 up to the amount of the holiday allowance mentioned in the collective labour agreement.
3. Year-end bonus: the employee can also use his or her year-end bonus in accordance with Article 3.4 of the collective labour agreement.
4. The sources for the individual choices mentioned in Article 2.2 (1-3) are chosen monthly based on an extrapolation of the previous month with a calculation through to the end of the year. The results are presented as sources in the self-service option *Individual choices model*. Future changes of the salary, the part-time factor or participation in the leave scheme are not part of this extrapolation and can influence the final maximum amount of the sources to be used.

Article 2.3

Choice of targets:

- a. extra income, up to a maximum amount corresponding to 38 hours of holiday leave per calendar year
- b. tax-free allowance by tax exchange of purchase costs for a bicycle used to commute to and from work
- c. tax-free allowance by tax exchange of bicycle insurance contribution
- d. tax-free allowance by tax exchange of costs for the purchase of bicycle accessories
- e. tax-free allowance by tax exchange of paid trade union contribution
- f. tax-free allowance by tax exchange of partially paid study costs
- g. tax-free allowance by tax exchange of paid school fees for foreign employees (this is a separate process, see Article 2.5)
- h. donation to the Refugee Student Foundation UAF charity
- i. extra pension accrual through participation in the ABP Extra Pension scheme
- j. purchasing additional holiday hours
- k. adding extra hours to the long-term leave accrual

Article 2.4

Processing holiday hours

1. The holiday hours as mentioned in Article 2.1 that have been sold or used via sources in time are deducted from the *Extra-statutory holiday leave entitlement* account accrued in the calendar year in which the choice was made.
2. The holiday hours mentioned in Article 2.3 (j) that have been bought are credited to the *Extra-statutory holiday leave entitlement* account for the calendar year in which the choice was made.
3. The addition of the hours for the long-term leave accrual mentioned in Article 2.3 (k) are credited to the *long-term leave accrual time* account of the current saving period.

Article 2.5

Given the complexity of the target school fees for foreign employees from Article 2.3 (g), processing of the tax exchange will be done manually by the HR Service Desk.

Article 2.6

Documentary evidence and terms

1. For various choices, fiscal aspects apply. When submitting any of the choices from Article 2.3 (b through g), at least an invoice or proof of purchase needs to be added. The purchase and payment must have taken place in the same calendar year as when the choice is made.
2. The exceptions to Article 2.6 (1) are purchases and payments made in the period from 1 December through 31 December. These must be submitted before 10 February of the following calendar year.

Article 2.7

Opportunities to select specific options

1. The employee can select various choices per calendar year as long as his or her sources allow. These choices relate to the calendar year in question.
2. In January, only the choice for extra income from Article 2.3 (a) is available.
3. The choice for the target from Article 2.3 (b) can be made once every three years.
4. The choice for the target from Article 2.3 (c through e) can be made once per calendar year.
5. Choices made by the employee can be revised until the moment that the individual choice model for the month in question is closed. After that, a choice cannot be reversed.
6. During the calendar year, the choices from Article 2.3 (i through k) may be revised. However, these choices cannot be revised or canceled retroactively with respect to that calendar year, only with effect from the current or next month. Please also see Article 2.7 (5).

Article 2.8

Permission of manager for buying or selling holiday leave

1. In cases where time is converted into time or money, the manager will approve the employee's request.
2. Provided that reasons are given, and after discussing the matter with the employee in question, the manager can refuse to honour an employee's request to convert time into money or money into time. Any decisions in this regard are to be taken by the managing director.
3. The request need not be honoured if to do so were to result in serious problems:
 - in operational terms, when redeploying the unallotted hours
 - in the area of security
 - in the field of scheduling
 - due to a lack of sufficient work
 - because of limitations imposed by the staff budget at unit level
4. The employee will be notified in writing of the decision, as referred to in Article 2.8 (2), as soon as possible but no later than four weeks after selecting a choice through the self-service option *Individual choices model*. An objection can be lodged with the Executive Board against this decision within a period of four weeks following the date on which it was dispatched.

Section 3 – Commuting allowance statement for commuting to and from work

The employee can use the self-service option *Commuting allowance statement* to apply for a compensation for the commuting expenses and a compensation for expenses associated with working from home. In addition, the employee has the option of increasing the allowance for commuting expenses in a tax-efficient manner.

Article 3.1

For the self-service option *Commuting allowance statement*, the source is always the monthly salary.

Article 3.2

- a. For the self-service option *Commuting allowance statement*, the target is always a tax-free allowance achieved through a fiscal exchange of funding for commuting expenses.
- b. If you have also been granted an additional compensation of commuting expenses, then this additional compensation will reduce the fiscal exchange mentioned in Article 3.2, paragraph a).

Article 3.3

Agreements and terms

1. In using the self-service option *Commuting allowance statement*, fiscal aspects apply. An essential component of this is that the commuting statement completed by the employee aligns with the agreements reached in advance between the employee and the manager about work-from-home days and commuting days.
2. This agreement mentioned in Article 3.3 (1) will always be recorded in the self-service option on the first day of the calendar month, unless the employee started in their role on another day that month.
3. When changes are made to the agreements mentioned in Article 3.3 (1), the employee is responsible for processing the amended agreement by making a change in the commuting statement within one month.
4. The employee can make a change in the commuting statement retroactively up to two months before the current month. A request for activation or amendment of the commuting statement made for a time before these two calendar months will not be approved.

Section 4 - Thirty percent ruling scheme

Employees who meet the requirements can use the self-service option *Thirty percent ruling* to ask their employer to apply the thirty percent ruling scheme. This allows for some of the gross salary to be converted into a flat, tax-exempt expense allowance.

Article 4.1

In the self-service option *Thirty percent ruling*, the source is a collection of salary emoluments (including salary, allowances, and one-off payments). The base for the determination of the tax exchange is the wage tax basis for the calendar month of the tax exchange. The base for calculating wage tax is specified on the salary specification.

Article 4.2

- a. In the self-service option *Thirty percent ruling*, the target is to have a tax-free allowance by tax exchange based on the thirty percent ruling scheme for foreign employees.
- b. In the self-service option *Thirty percent ruling*, the target is to have a tax-free allowance by tax exchange based on the thirty percent ruling scheme for employees sent abroad on a long-term posting.
- c. A combination of target 4.2 a and b is not possible.

Article 4.3

In the event that the employee has chosen this tax exchange, then he or she can no longer apply for a tax-free expense allowance that falls under the so-called extraterritorial expenses. Extraterritorial expenses include expenses for double housing, costs for a Dutch language course or costs associated with applying for the thirty percent ruling scheme. For more information on extraterritorial expenses, see the website of the Tax and Customs Administration www.belastingdienst.nl.

Section 5 - Obligations and consequences of participation

Article 5.1

If the Dutch tax authorities have attached special conditions to the tax-free payment of a given target, then employees are required to comply with these conditions, and to disclose them prior to payment, in the way indicated by the employer.

Article 5.2

The use of time and money as a source in the Individual choices model may have implications for social security, pension accrual, and salary-related allowances and benefits. Any such effects are borne by the employee, and are not subject to compensation.

Section 6 - Settlement

Article 6.1

In the event that an employee's employment contract is terminated during the calendar year, any claims will be in proportion to the fraction of the full calendar year worked. Where necessary, a settlement (in monetary form) will be made for any terms and conditions of employment which have either not been applied or which have been applied unjustly.

Article 6.2

Cases in which parental leave or special leave cause the accrual of holiday hours to be temporarily and/or partially changed can result in situations in which the terms and conditions of employment are unjustly applied. In such cases, an interim settlement (in monetary form) is made. Wherever possible, this settlement will take place within the current calendar year and no later than one year after the end of the period of leave in question. Where it can be demonstrated that leave precludes the use of additionally generated holiday hours within the calendar year, employees have the opportunity (following consultation with their manager) of converting these hours into money.

Article 6.3

Amendments (or interim amendments) to the terms and conditions of employment, may mean that the employer is no longer able to make the payments to third parties that were requested by the employee, due to a lack of sources (or adequate sources). It is the employee who bears the risk of any such effects. This would be the case, for example, where participation in ABP's Extra Pension scheme is involved. In the event of unpaid leave, such a remittance is no longer possible. Any impacts on pension accrual will be borne by the employee in question.