

Government wants to accelerate transformation of tax in box 3 into a capital gains tax

In a [letter](#) dated 29 September 2026 to the Lower House of Dutch Parliament, the government announced additional measures of a fiscal nature in the context of the budget proposed on Budget Day. These relate to box 3 (income from savings and investments) and box 2 (income from substantial interest). A notable measure is an amending Act on the bill on the Actual Return on Investment in Box 3 Act to make it a capital gains tax for approximately 90% of all assets by 2028. In addition, the plan is to gradually lower the limit in box 2 for borrowing from one's own private limited company from a maximum of € 500,000 to a maximum of € 100,000 over a period of five years. From 2030, a capital gains tax would then apply to all assets in box 3.

The plans in brief

Box 3

On the basis of the bill on the Actual Return on Investment in Box 3 Act currently before the Upper House of Parliament, real estate and qualifying shares or profit participation certificates in start-ups and scale-ups are subject to a capital gains tax. This means that only realised income, such as profit distributions and benefits on the sale or departure abroad, are taxed. According to the current legislative proposal for the Actual Return on Box 3 Act, a capital growth tax must apply to other assets in box 3. This means that both realised and unrealised value changes are included in the tax on an annual basis. During the debate in the Upper House just before the summer recess, it already became clear that the capital growth tax could count on very little political support. Even then, it turned out that the Upper House would prefer a broad capital gains tax in box 3 quickly. Two ways were open to this: an amending Act (*novelle*) to the existing bill or withdraw the existing bill and submit a new bill. It was then agreed to postpone the bill until after Budget Day.

The government has now opted for the first option because of the speed. According to the letter, the government's new proposals mean that the capital gains tax will be expanded, and should take effect as early as 2028. From that year onwards, all financial instruments, including regular shares, bonds and option rights, will also be subject to the capital gains tax. And as of 2030, the capital gains tax would also apply to 'other assets'. Real estate and shares or profit participation certificates in startups and scale-ups would already fall under the capital gains tax according to the bill under discussion in the Upper House, and that will of course remain the case.

According to these plans, the capital growth tax will still apply to other assets in 2028 and 2029 - only during this period. However, the letter does not specify exactly what these other assets are. For that, the text of the amending Act must be awaited. In any event, the capital gains tax would then apply to all assets in box 3 from 2030 onwards.

In order to cover the proposals in terms of the budget, the tax-free amount (i.e. the threshold amount for the application of the current box 3 system) will be reduced to € 30,846 per partner in 2027 (in 2026 the tax-free amount will still be € 59,357). In addition, the fixed return on other assets will be increased from 6% in 2026 to 7.5% in 2027. This tax increase will mainly affect 'small investors'.

Under the proposed new regime in box 3, which would take effect in 2028, there will no longer be a tax-free amount of assets, but a tax-free result. This is because the new box 3 proposal does not (or no longer) tax the (fixed return on the) assets, but the actual income (result). The proposal is also to reduce the tax-free result to € 1,000 per partner in 2028. In the original bill, the government still calculated with a tax-free result of € 1,800 per partner. With a return of 2%, the tax-free result amounts to an exemption on the first € 50,000 of assets, while that amount would initially be € 90,000.

Box 2

Furthermore, to cover the proposals, the top rate in box 2 will be reduced for four years from 31% in 2026 to 29.2% from 2027. The idea here is that a lower top rate will lead to more profit distributions and therefore extra tax revenues.

It is also proposed to reduce the amount that can be borrowed from one's own company without a box 2 levy. That is now € 500,000 for the taxpayer and his partner. According to the proposal, this amount will be reduced from € 500,000 to € 100,000 in five annual steps of € 80,000 from 2027. Debts for the owner-occupied home are exempted from this.

Legislative process and implementation

The proposals must be adopted by the Lower and Upper House of Parliament before December 31, 2026 in order to be effective on January 1, 2027. This means that the proposals must be developed into a concrete proposal as a matter of urgency. The time is therefore limited, also because the government first wants to wait for the advice of the Advisory Division of the Council of State. Strictly speaking, this is not mandatory for an amending Act.

The letter indicates that the banks will not be able to provide data for the pre-completed personal income tax return at least in the first year of implementation. The ICT systems cannot be adapted to the new proposals in such a short time.

KPMG Meijburg & Co's response

The plans settle an important point of discussion about the bill on the Actual Return on Investment in Box 3 Act. The capital growth tax will be introduced for other assets in a limited period of two years. Unfortunately, it is still unclear to which assets the capital growth tax will apply during this period. The capital gains tax will also be introduced for all other assets as early as 2028, and from 2030 for all assets in box 3. In the first year, the tax practice will be busier filling in tax returns, because the banks will not yet be able to provide data for the pre-filled tax return.

In terms of content, the substantial interest holder will surrender a relatively large amount. After implementation, director-major shareholders in particular will be confronted with the tax in box 2 much sooner than before when they borrow money from their own company. Moreover, courts have so far ruled against taxpayers who challenge the tax in box 2 (at the regulatory level). We do not expect that the lowering of the threshold for the Excessive Borrowing from Own Company Act alone will change the current line in case law. At the same time, the reduction of the top rate in box 2 will

also reduce the tax burden at the top rate, so that dividend payments will be taxed at a lower rate.

Wrapping up

Finally, we note that these are only proposals from the minority government. The proposals must first find support from coalition and opposition parties, so that they can still be subject to change. We will continue to follow the developments.

If you have any questions about your personal situation, please feel free to contact us or your trusted Meijburg advisor.

KPMG Meijburg & Co
October 1, 2026

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