NOW 1.0 – Changes

In addition to publication of the main features of NOW 2.0, the Minister of Social Affairs announced in another letter to Parliament a number of changes to the current NOW regulation, NOW 1.0, in order to make the NOW more accessible in some specific situations, such as seasonal work and transfer of undertakings. Furthermore, with regard to some parts of NOW 1.0 a further explanation is given.

Below, you will find an overview of the announced changes and further explanation of NOW 1.0.

Changes and further explanation NOW 1.0

- **Publication:** from the end of June 2020, the Minister has requested the UWV to publish the names of NOW applicants, including the advance payments granted and the subsidy established, on the UWV website.
- **Longer opening of the application period:** the application period for the NOW 1.0 will be open longer, until **5 June 2020**.
- **Obligation to submit an auditor's report:** An auditor's report is made compulsory for the NOW if companies (i) have received an advance payment of € 100,000 or more and/or (ii) the subsidy to be determined is € 125,000 or more. Companies that have received an advance payment of less than € 100,000 are responsible themselves for estimating whether the subsidy is set at € 125,000 or more, so that they too require an auditor's report. For support, a tool will be made available online that can be used to estimate whether an auditor's report is required or not. The amounts are based on the subsidy amount that is allocated to the group, or if there is no group, the legal person or natural person, and not the subsidy provided per payroll tax number. Companies using the option to determine the decrease in turnover at operating company level will always have to provide for an auditor's report.
- **Statement from a third party:** If an auditor's report is not required, but the advance payment amounts to more than € 20,000 or the subsidy exceeds € 25,000, then a statement from a third party is required, which confirms the drop in turnover. This can be, for example, a statement from an administrative office, financial service provider or the sector organizations.
- **Thirteenth month is not included in the wage sum:** UWV will exclude the extra period salaries, such as a thirteenth month, from wages when determining the subsidy. This prevents employers from having to (partially) repay the NOW subsidy upon determination only because of the payment of a thirteenth month in January 2020.
- **Higher wage bill March-May:** an increase in the wage bill in March to May 2020 can be included in the amount of the subsidy when determined, provided that the wage bill in the period March to May 2020 is higher than three times the wage bill of January 2020. The new calculation method will automatically apply to all employers with a higher average wage bill in the period March to May than during the month of January (including maximum). In this calculation method, the amount of the wage bill in the months of April and May 2020 is always capped at the level of March 2020. Applicants with a 0- wage bill in January 2020 or no wage bill in January 2020 and November 2019 that do have a wage bill in March till May 2020, may qualify for NOW as a result of this change. If a negative decision from the UWV has previously been received, the UWV will approach these applicants.
- **Determining the relevant wage bill and turnover in situations of transfer of undertaking:** If a company has taken over (a part of) another company, problems often arise with regard to determining the turnover and the relevant wage bill. To enable participation in NOW 1.0 in such a

situation, a number of further application rules are provided for determining the turnover and the wage bill.

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