

GMS Flash Alert

Immigration Edition

2019-004 | January 11, 2019



Netherlands - Post-Brexit Transitional Rules for U.K. Citizens' Right of Residence

With Brexit rapidly approaching and the increasing possibility of a "no deal" scenario, many U.K. citizens currently living in the Netherlands face considerable uncertainty about the ability to continue their residence post Brexit.

The government has now announced a generous arrangement which ensures that Britons already staying here legally before Brexit will be guaranteed legal residence – including the right to work – after Brexit.¹

In this GMS Flash Alert, we provide further details about these transitional rules and their applicability.

WHY THIS MATTERS

After Brexit, U.K. citizens are no longer European Union (EU) citizens and thus can no longer claim residence in an EU or European Economic Area (EEA) member state on the basis of the EU treaty. For the many Britons that are currently living in the Netherlands, the transitional rules will finally clarify their status and the actions they need to take. This is equally important for Dutch companies that employ U.K. citizens.

'No Deal' Transitional Rules

On 7 January 2019, the government announced in its letter to parliament² that U.K. citizens who have the right of residence in the Netherlands on 29 March 2019 will also retain their right of residence in the event of a "no deal: Brexit. The rules will apply to both U.K. citizens and their family members who are not EU nationals.

The transitional rules will apply for a period of 15 months and continue through July 1, 2020. To be eligible for the rules, lawful residence in the Netherlands must have arisen before Brexit – March 29, 2019.

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During the transitional period, U.K. citizens (and also any family members who are not EU nationals) will retain their right to reside, work and study in the Netherlands. The Immigration and Naturalization Service (INS) will send all those affected by the transitional rules a letter confirming their right of residence before March 29, 2019. This letter will count as proof of lawful residence.

Only when the transitional period has ended will U.K. citizens and their family members have to be in possession of a Dutch (*national*) residence permit. This residence permit will be granted under the same conditions that apply for residence as an EU citizen; thus no new or stricter conditions for residence will be imposed. Employers are not required to apply for work permits for this group.

Application for Residence Permit during Transitional Period

Action Steps for U.K. Citizens

It is essential for U.K. citizens to confirm that they are correctly registered with the municipality where they live. This is important because the INS will have their contact details and also because their registration in the Personal Records Database shows that they currently (or at least before Brexit) lawfully reside in the Netherlands on the basis of the EU treaty.

If a U.K. citizen is correctly registered with the municipality where the U.K. citizen lives, no further action is necessary.

Because the INS will have to deal with a large increase in the number of applications for residence permits in a relatively short period, it was decided to send individual invitations to submit an application and to stagger the invitation letters in stages. To aid in administration, everyone is urged to wait until they receive this letter.

It is not necessary to submit an application before then, because the right of residence will be retained during the entire transitional period. The INS will make sure that everyone receives this letter by April 1, 2020 at the latest.

The INS charge for residence permit applications is EUR 57.

Holders of a National Residence Permit

U.K. citizens who might currently have a residence permit on national grounds, for example, as highly skilled migrants, can opt to retain this permit. After Brexit they can continue to live in the Netherlands on the basis of this permit as long as they continue to comply with the conditions for the residence permit. It is also possible to rely on the new scheme and obtain a residence permit under the conditions of EU law. The INS will also write to this target group.

Dual Citizenship

U.K. citizens who also have the nationality of another EU Member State can continue their lawful residence in the Netherlands under this second nationality and thus do not have to apply for a residence permit.

KPMG NOTE

Although this arrangement offers clarity and guidance for a substantial group of people and companies, there is still no update on the post-Brexit requirements for U.K. citizens currently working in the Netherlands as cross-border commuters. As they are generally not residing here, they are not covered the arrangement and might be subject to a work permit requirement after Brexit.

We are closely monitoring the developments on Brexit and will endeavor to report on this as soon as there is more clarity on the requirements for this specific group.

For Those Who Did Not Have a Right of Residence in the Netherlands before Brexit

U.K. citizens who only intend to live in the Netherlands after Brexit can apply for a residence permit under national law, such as a highly skilled migrant permit or a residence permit for study, from March 30, 2019 onward. They are not required to possess an authorization for temporary stay (*machtiging tot voorlopig verblijf*, MVV), which means they can travel to the Netherlands without a special visa to settle here.

FOOTNOTES:

1 See the <u>announcement</u> (in Dutch) on the INS webpage.

2 See <u>letter</u> to parliament – (in Dutch).

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Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or the following professional with the KPMG International member firm in the Netherlands:



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* Please note that KPMG LLP (U.S.) does not provide immigration services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

The information contained in this newsletter was submitted by the KPMG International member firm in the Netherlands.

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