

Employment anniversary bonus *Gratificatie dienstjubileum*

Additional Vrije Universiteit Amsterdam regulations for Article 3.18 (2) of the Collective Labour Agreement for Dutch Universities.

Article 1 The term of service on which the award of employment anniversary bonuses is based

The term of service on which employment anniversary bonuses are based factors in the time:

- a. that was spent in the service of Vrije Universiteit Amsterdam (VU Amsterdam);
- b. that was spent from 1 July 2014 as a government employee as referred to in Article 2 of the ABP Privatization Act;
- c. that was spent before 1 July 2014 in a civilian position for the Dutch government;
- d. that was spent before 1 July 2014 in a position as referred to in Article 4(1) of the Pensions Act 1922 (before 1 January 1966), a position as referred to in Article B2 of the Public Servants Superannuation Act or a position as referred to in Article B3 of the same Act as well as a position (before and after 1 January 1966) as referred to in Article U2 of that act;
- e. that was spent before 1 July 2014 in civilian service of the government in Surinam (until 25 November 1975), the Dutch Antilles (until 10 October 2010), Aruba, Curaçao and Sint Maarten and the public bodies Bonaire, Sint Eustatius and Saba;
- f. that was spent before 1 July 2014 in service in non-public education in the countries and public bodies referred to under e. to the extent the person concerned was covered by a government pension scheme or would have been covered by such a scheme if they had been in permanent employment;
- g. that was spent in military service on behalf of the Netherlands or similar civil service under the General Civil Service Regulations, including service in the former Royal Netherlands Indies Army and the armed forces in Suriname (until 25 November 1975), the Netherlands Antilles (until 10 October 2010), Aruba, Curaçao and Sint Maarten and the public bodies Bonaire, Sint Eustatius and Saba.

Article 2 The term of service on which the award of employment anniversary bonuses is not based

The term of service on which employment anniversary bonuses are based does not factor in:

- a. the time of service not spent in active service owing to holding a political appointment;
- b. the term of service spent without performing duties and without income generated by the position, except for the time during which the person concerned took extraordinary leave or parental leave or life course leave.

Article 3 Term of service accrued simultaneously

Term of service spent simultaneously in more than one position counts only once for the determination of the date of the anniversary:

- a. if a bonus could be granted under the provisions of any of the previous paragraphs, but the employee has already received a term-of-service-based bonus or benefit (e.g. due to military service) similar to the bonus covered by this regulation, then no bonus will be granted under this regulation;
- b. if the employee's anniversary falls during a period of special leave as referred to in Article 2 paragraph b, then no bonus will be granted on the anniversary date. If the employee did not receive an employment anniversary or corresponding bonus in the position carried out during the leave, the employment anniversary bonus may still be granted after the period of special leave when the employee resumes his normal duties.

Article 4 Remuneration

- a. For the purposes of calculating the bonus, remuneration as referred to in Article 3.18 of the collective labour agreement is remuneration in the sense of Article 1.1 of the collective labour agreement that applies to the employee on the date of his anniversary, plus the holiday allowance.
- b. If the employee is entitled to an allowance due to irregular working hours, the calculation of the bonus will take account of the amount paid to him on average in the three calendar months prior to his anniversary.

Article 5 Bonus and tax

The bonus will only be paid out as a net amount if permitted under the tax rules.

Article 6 Final provision

In exceptional cases in which strict application of the provisions of these regulations leads to apparent unfairness, the Executive Board may take alternative decisions.

Notes on employment anniversary bonus

Term of service

The term of service does not have to be a continuous period. The employee's entire employment history may have taken place at one institution or at multiple institutions covered by Stichting Pensioenfonds ABP Pension Fund Foundation. Term of service accrual from employment resulting from specific legislation counts toward the total term of service until the relevant legislation is repealed.

Payment of the employment anniversary bonus

The collective labour agreement provides for a maximum of two untaxed bonuses. i.e. once following at least 25 years of service and once after at least 40 years of service.

The amount of the bonus is:

- at 25 years: 70% of the monthly salary;
- at 40 and 50 years: 100% of the monthly salary.

Proportional employment anniversary bonus in case of dismissal

The employee will receive a proportional employment anniversary bonus in the case of dismissal as the result of a reorganization or permanent incapacity for work owing to illness or because the employee has opted for the General Pension Fund for Public Employees (ABP) multi-choice pension. The employee must be entitled to an employment anniversary bonus within 5 years after dismissal.

The proportional employment anniversary bonus is calculated as follows:

bonus amount X years of service / term of service anniversary

In case of partial dismissal, the proportional employment anniversary bonus will be awarded in proportion to the scale of the relevant redundancy. If the employee in question enters into the service of VU Amsterdam again at a later date, any new entitlement to an employment anniversary bonus will be offset with the proportionally awarded bonus already awarded.

Taxation

If VU Amsterdam has been your only employer for 25 or 40 years, then your bonus will not be taxed. But if you worked for more than one employer during your term of service, VU Amsterdam is technically required to deduct tax from your bonus. In consultation with the employees' association in the University Local Consultative Committee (UCLC), it has however been decided that, as of 1 January 2018, all employment anniversary bonuses – also where the years of service have been accrued at multiple employers – will be paid out untaxed. This is possible under tax rules by including the employment anniversary bonus in the discretionary margin of the work-related expenses scheme.