

Flash International Executive Alert

Monthly Summary (April 2014)

Flash International Executive Alerts	
Australia	<p><u>Immigration Developments on Credit Card Surcharges and Integrity PIC</u> Recent immigration developments in Australia include new surcharges for credit card payments of visa applications and heightened efforts to prevent visa-related fraud.</p>
Austria	<p><u>Value of Company Car Benefit Raised</u> Starting March 1, the maximum acquisition costs for determining the monthly benefit-in-kind related to private/personal use of a company car in Austria have been increased.</p>
Canada	<p><u>Tax Authority Extends Filing Deadline to May 5</u> The Canada Revenue Agency has extended the filing deadline for personal tax returns to May 5, 2014, after temporarily shutting down online services to fix a critical security issue.</p>
France	<p><u>Temporary Tax on High Remuneration Compliance Developments</u> The filing deadline is quickly approaching for France's temporary tax, which covers many forms of remuneration. The tax is due by employers at a rate of 50% on portions of remuneration that exceed EUR 1 million per year per individual in 2013 and 2014.</p>
India	<p><u>Data Sharing, New Certificate of Coverage Application for International Workers</u> The Employees' Provident Fund Organization of India issued two circulars that clarified certificate of coverage matters and the Provident Fund contributions that must be made when an employee is designated an "International Worker".</p>
Indonesia	<p><u>Major Reform to Health, Social Insurance Systems Comes with Costs</u> The implementation of a new Indonesian health insurance system will have a considerable impact on the way workers are insured through the state-sponsored health-care system, the government agency responsible for managing it, the way benefits are paid, and the costs for employers and workers participating in the system.</p>

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Italy	<p><u>Government Reinstates EUR 10,000 Threshold for Reporting Foreign Assets</u></p> <p>A new Law Decree reintroduces a EUR 10,000 minimum reporting requirement for Italy's financial asset reporting system. For 2013 and subsequent years, the reporting exemption applies only to foreign bank deposits and current accounts in which the total balance did not exceed EUR 10,000.</p>
Jordan	<p><u>Reform of Social Security Rates, Thresholds for 2014 and Beyond</u></p> <p>Effective January 1, 2014, the increases in Jordan's social security rates will be phased in gradually. Also, the income base upon which they are applied has been modified, resulting in potentially higher costs for international assignees to/from Jordan.</p>
Portugal	<p><u>2014 Budget Law Maintains Higher Taxation, but Some Relief</u></p> <p>Portugal's 2014 Budget Law has removed the social security wage ceiling for company board members, and eased individuals' tax burdens in regards to the tax treatment of certain health insurance and life insurance premiums.</p>
South Africa	<p><u>In Budget 2014, Changes Planned for Savings and Retirement</u></p> <p>South Africa's 2014 budget contains standard changes to personal income tax thresholds, rebates, and credits; as well as amendments to the retirement lump sum tax tables. Proposals have also been made for tax-preferred savings accounts, the tax treatment of life and insurance disability premiums, insurance policies, and other measures.</p>
Spain	<p><u>Social Security Rules Amended for 2014</u></p> <p>Spain has modified its social security rules with respect to items of remuneration that are included in the social security contribution base, as well as the applicable wage ceilings and rates. Depending on the structure of employees' remuneration, this could raise or reduce employee's social security tax burdens and a company's employment costs.</p>
Switzerland	<p><u>Court Makes Landmark Decision on Inter-cantonal Taxation of Employment Income</u></p> <p>On January 29, the Federal Supreme Court ruled that the current system of inter-cantonal income tax allocation for Swiss resident taxpayers who are subject to wage withholding taxes is in violation of the provisions of the free movement agreement with the European Union and European Free Trade Association. This decision means that all EU and EFTA national taxpayers moving between cantons in Switzerland will be treated equally.</p>
United Kingdom	<p><u>Consultation Published on Taxing Nonresidents' Gains on Property</u></p> <p>The U.K. government published its plans to make gains on sales of U.K. residential property subject to capital gains tax for nonresidents, from April 2015, similar to the treatment for U.K. residents.</p>

United Kingdom	<p><u>Important Changes to Form 42 Filing, Upcoming Deadlines</u></p> <p>Companies in the U.K. have until July 6, 2014 to submit Form 42 for unapproved employment-related share incentives. The U.K. is ending paper reporting for share plans in favor of online registration and reporting.</p>
United Kingdom	<p><u>Several Measures in Finance Bill Affecting Globally-Mobile Workforce</u></p> <p>On March 27, the U.K.'s 2014 Finance (No. 2) Bill was published embodying several Budget measures, including changes to the U.K. income tax treatment of share-based forms of awards for globally-mobile employees, capital gains property taxation, anti-avoidance measures, and changes to income tax and National Insurance.</p>
United States	<p><u>IRS Releases 2014 Adjusted Sec. 911-Related Housing Cost Limitations</u></p> <p>The Internal Revenue Service has released the list of certain foreign locations with high housing costs relative to the United States. This list is used for individuals living abroad who claim the foreign housing cost exclusion on their U.S. income tax returns.</p>

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