



GMS Flash Alert



Flash Alert

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Flash Alerts

Austria	<p>Changes to Tax Benefits for Skilled Researchers, Academics, Scientists</p> <p>A recent change to Austria’s tax rules will allow scientists and researchers switching their “center of vital interest” (CVI) to Austria to claim new attractive Austrian tax benefits. Obtaining such tax benefits requires the filing of an application with the Austrian Ministry of Finance within 6 months from the date of moving to Austria.</p>
Denmark	<p>EU Rules on Posting of Workers Implemented</p> <p>Last year, Denmark enacted legislation transposing into Danish law EU Directive 2014/67/EU concerning secondments of employees. The Danish Labour Market Fund for Posted Workers (Arbejdsmarkedets Fond for Udstationerede or “AFU”) is established as a result of the implementation of the Directive. AFU introduces a new concept in Danish legislation: a Danish enterprise can be held liable if a foreign enterprise does not fulfil its wage obligations. Also, many enterprises are required to contribute to the AFU.</p>
France	<p>Finance Law Measures on Withholding, Impatriate Regime, Tax Tables</p> <p>There are several important tax measures in the recent French Finance Law, among which, the new withholding tax system that takes effect in January 2018, enhancements to the so-called “impatriate regime,” and changes to the income tax thresholds and credits.</p>
France	<p>New Penalties If Audits Find Employees</p>

	<p><u>without Certificates of Coverage</u></p> <p>As part of the effort to prevent fraud in relation to the cross-border posting rules, the French Social Security Financing Act for 2017 institutes a procedure for auditing the situation of posted assignees. Certificates of Coverage showing affiliation to the home-country social security system must be kept available for inspection; non-compliance will be subject to a financial penalty.</p>
Germany	<p><u>New Salary Criteria in Effect from 1 January 2017</u></p> <p>As of January 1, 2017, the salary criteria for EU Blue Cards issued by the German authorities have changed. The new criteria also apply to EU Blue Card-based entry visas (national visas). In a related development, the general minimum wage requirement arising under the terms of MiLoG (the statutory minimum wage rule) for all work performed in Germany has been modified.</p>
Italy	<p><u>Update on New EU Rules Regarding Posting of Workers</u></p> <p>According to the Italian authorities, there are new responsibilities for companies (home and host) posting workers to Italy, including new record-keeping and notification requirements. The Italian government's online portal for notifications went live on December 26.</p>
Luxembourg	<p><u>2017 Tax Reform Legislation Approved by Parliament</u></p> <p>Recently approved legislation in Luxembourg has introduced a number of measures affecting the taxation of individuals. The government will alter the tax treatment of married couples and registered domestic partners. In addition, from 2018, how married nonresident taxpayers are taxed will undergo a change. Additional income brackets and tax rates are now included in the tax tables, which feature a new marginal tax rate of 41 percent.</p>
Romania	<p><u>Ordinance Ushers in Tax and Social Contributions Changes</u></p> <p>A recent Ordinance published by Romania's government, makes various changes to the Tax Code, such as altering the method of calculating pension and health contributions due in Romania, exempting investment income from the health contribution, bringing in a new deduction for employees, and introducing a (non-taxable) threshold for the income tax due on the sale of real estate.</p>
Slovakia	<p><u>Changes to Caps for Social Security in 2017</u></p>

	<p>The Slovak Parliament recently approved amendments to a law concerning the caps for calculating social security contributions, which have now been significantly increased or even entirely lifted. These changes are already applicable with effect from January 2017.</p>
South Korea	<p><u>Changes in Flat Tax Rules and Top Income Tax Rate</u> Effective from January 1, 2017, revised rules are applicable to the flat tax rate election available to foreigners working in South Korea, which involve an extension of the sunset clause and an adjustment of the flat tax rate. Additionally, the highest marginal income tax rate is amended and will apply to income in excess of KRW 500 million.</p>
Tunisia	<p><u>Budget Changes Tax Rates, Brackets, and Professional Costs Deduction</u> Tunisia's Budget Law for 2017 amended the country's personal income tax regime, such that lower-income taxpayers should see their tax burdens decrease, while higher-income taxpayers should see theirs increase. The amendments also affected the tax rules on the deduction for professional costs.</p>
United Kingdom	<p><u>Government Says Criminal Record Certificates Needed for Select Jobs</u> The U.K. government recently announced that migrants applying to come to the U.K. for employment in certain job categories in the sponsored worker visa category (Tier 2) will face an additional documentary requirement. These job categories are set out in the Standard Occupational Classification (SOC) Codes stipulated by the U.K. government. All migrants over the age of 18 who fall within the affected Codes and their adult dependants will have to produce criminal record certificates.</p>
United States	<p><u>USCIS Final Rule Contains Significant Changes for "AC21" Provisions</u> The United States Citizenship and Immigration Services ("USCIS") recently issued a final rule that affects several provisions of The American Competitiveness in the Twenty-First Century Act ("AC21"), which was enacted in October 2000. The Act contained several provisions that brought benefits to U.S. employers and foreign workers alike, which are now affected by the final rule, amongst those, "portability" for green card applicants and H-1B holders, I-140 petition validity, establishment of grace periods for certain non-immigrant categories, and updated rules for Employment Authorization Card applications.</p>

United States	<p><u>IRS Issues Final PFIC Regulations</u> The U.S. Department of the Treasury and the Internal Revenue Service (IRS) recently issued final regulations that require a U.S. person owning multiple PFICs file a separate Form 8621 for each PFIC and clarify that individuals who are treated as U.S. nonresidents under the tie-breaker provisions of an income tax treaty are exempt from filing Form 8621 for the portion of the tax year that the individual is taxed as a nonresident.</p>
United States	<p><u>Details on Rules for Employment Authorizations in Compelling Circumstances</u> A recently issued Final Rule in the United States allows an individual to apply for the “Compelling Circumstances” Employment Authorization Document, if he or she meets certain eligibility requirements. The Final Rule attempts to provide a stop-gap measure to assist specific categories of foreign nationals in different hardship circumstances by providing them with Employment Authorization while they continue to wait for eligibility to apply for lawful permanent residence status.</p>
United States	<p><u>Changes Introduced for Employment Authorization Documents</u> Under recently issued rules, United States Citizenship and Immigration Services (USCIS) is updating its processing of Employment Authorization Document (EAD) card applications and is changing how early it will accept some EAD card renewal applications.</p>
United States	<p><u>Social Security Agreement with Brazil Transmitted to Congress</u> The Social Security Totalization Agreement (SSTA) between the United States and Brazil was transmitted to the United States Congress on December 8, 2016, by then U.S. President Barack Obama. The SSTA was signed by the two countries on June 30, 2015. With this step, the Agreement moves closer to entry into force.</p>
United States	<p><u>Travel Ban and Suspension of Visa Issuance for Seven Countries</u> An Executive Order was signed by the U.S. President, Donald Trump, on January 27, 2017, impacting travel to the U.S. for nationals of Sudan, Syria, Libya, Somalia, Iran, Iraq and Yemen. Among other things, the Order suspends the refugee program for 120 days and suspends the Syrian refugee program indefinitely; suspends entry and visa issuance for people from Syria, Sudan, Iran, Iraq, Somalia, Yemen and Libya for a minimum of 90 days; suspends the Visa</p>

Interview Waiver Program; and establishes requirements for "extreme vetting."

Publications & Videos

GMS Video-Social Security	<p><u><i>The Importance of Certificates of Coverage When Sending Employees Overseas</i></u></p> <p>In this video, featuring Bob Rothery and Stacy Finch with KPMG LLP's Global Mobility Services practice, we delve further into the nuts and bolts of social security totalization agreements and learn about certificates of coverage, the "detached worker rule," the application of home versus host country social security rules, in general, to different kinds of assignments, and respective employee and employer obligations and responsibilities.</p>
Mobility Consulting Services	<p>The Mobility Consulting Services group in KPMG's Global Mobility Services (GMS) practice recently announced the availability of the 2016 results of the newly re-designed <u>Global Assignment Policies and Practices (GAPP) survey</u>. KPMG's web-based GAPP survey continues to provide valuable trends and insights regarding how global organizations administer their international assignment and relocation programs.</p>
U.S. Tax Reform	<p><u><i>Outlook for U.S. Tax Reform</i></u></p> <p>An external-facing KPMG Web site dedicated to ongoing insights from KPMG LLP (KPMG) on the outlook for U.S. tax reform.</p>

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