



GMS Flash Alert



Flash Alert

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Australia

[Highlights of Key 457 Visa Changes and New TSS Visa](#)

As noted just below, changes to Australia's Temporary work (Skilled) Subclass 457 visa program will take place progressively (effective from 19 April 2017) ahead of the 457 visa being abolished and replaced altogether with the introduction of a new Temporary Skill Shortage (TSS) visa in March 2018. This newsletter provides a summary of the key changes and their effects.

Australia

[457 Visa to Be Replaced March 2018. Other Immigration Changes Now](#)

Australia's Prime Minister, on 18 April 2017, announced that the 457 Visa will be replaced with a new Temporary Skill Shortage (TSS) Visa from March next year (as noted above). Significant changes to the current occupation list for 457 visas will progressively come into effect, some of them, immediately. The "Short term skilled Occupation List" (STSOL) will replace the current "Consolidated Sponsored Occupation List." In addition, there will be changes to the eligibility requirements of the employer-sponsored permanent skilled visas.

Canada

[Quebec Bumps Up Stock Option Deduction](#)

Employees in Quebec can now benefit from claiming a stock option deduction of 50 percent (previously, 25 percent) for certain shares, under recent measures confirmed in Quebec's 2017 budget. The measure

	generally applies to stock options received for shares of public corporations with significant presence in Quebec granted after February 21, 2017.
Chile	<p><u>New Visa for Professionals and Investors Involved in Technology Sector</u></p> <p>On April 4, 2017, the Chilean president announced that, over the next few months, a new visa would come into force in Chile called "Visa Tech." This new visa is aimed at professionals and foreign investors in the technology field.</p>
Greece	<p><u>New Voluntary Disclosure Program in Effect through 31 May</u></p> <p>Greece is offering to all taxpayers who have failed to disclose taxable income and assets to the Greek authorities a voluntary disclosure program that will run until the end of May 2017. Failure to come forward and make the disclosure of liabilities may result in the taxpayer being pursued by the Greek tax authorities and the imposition of penalties.</p>
Greece	<p><u>New Law Amends Income Tax System</u></p> <p>Greece's Law 4446/2016 amended the country's tax system providing for: a person's tax-exempt income to be linked to the minimal value of spending he or she undertakes via electronic means; the postponement of capital gains tax on real estate sales; and modifications to the taxable benefit-in-kind related to company cars.</p>
Ireland	<p><u>April Brings Changes to Tax-Free Travel and Subsistence Rates</u></p> <p>Ireland's Minister for Public Expenditure and Reform recently published circulars containing revised maximum rates of motor travel and subsistence allowances. These apply from 1 April 2017. Where certain conditions are met, motor travel and subsistence allowances based on Civil Service rates and criteria can be paid to employees tax free.</p>
Ireland	<p><u>Consolidation and Important Changes for Employment Permits Regulations</u></p> <p>There have been several recent developments concerning Ireland's immigration rules: (1) the Employment Permits Regulations 2017 have commenced consolidating and revoking all previous employment permit regulations from 2014 to date; (2) changes have been made to the Highly Skilled Eligible Occupations List and Ineligible Categories of Employment List; and (3) new employment permit application requirements for engineering roles have been introduced.</p>

Italy	<p><u>2017 Quota in Force for Issuance of Work and Residence Permits</u></p> <p>The newly enacted annual decree, Decreto Flussi, sets forth the quotas for 2017 that apply for different categories of foreign workers in Italy. The decree explains in detail (i) all numerical limits for each category of worker/citizen permitted to enter with a relevant work permit; (ii) the timing for the submission of the work permit request; and (iii) the terms and conditions around applying for a work permit.</p>
Italy	<p><u>Care to Switch from Old Inpatriate Regime to New One?</u></p> <p>A newly-issued provision in Italy allows an individual to retroactively opt out of the “old” inpatriate tax regime of 20 percent/30 percent for 2016 (and 2017) and instead benefit from the less favorable 70 percent (for 2016) and 50 percent (starting from 2017) “new” inpatriate regime, but benefit for an extended period of time, as compared with the old one. The choice had to be conveyed to employers by 2 May 2017.</p>
Mexico	<p><u>Decree Offers Tax Incentive Program for Repatriating Resources</u></p> <p>A recent Mexican government Decree provides tax incentives for taxpayers who bring back to Mexico investments and related income (hereinafter “Resources”) held outside of Mexico up to December 31, 2016. This Decree applies to individuals and legal entities resident in Mexico (or residents abroad with permanent establishment in Mexico) and is valid only for six months (until July 19, 2017).</p>
Mexico	<p><u>Obligation to File Informative Returns and Preferential Tax Regimes</u></p> <p>Individuals qualifying as tax residents of Mexico will be required to file an “informative return” (“declaración informativa”) in 2017 related to fiscal year 2016 when receiving any kind of income from so-called tax haven territories so-designated by the Mexican government or performing operations through pass-through foreign figures and entities. Since the elimination of a rule in August 2016, the obligation to submit informative returns has become applicable to more taxpayers.</p>
Mongolia	<p><u>Higher Personal Taxes, Health Contributions Approved by Parliament</u></p> <p>The Parliament of Mongolia has now approved the amendment to the State Budget, including previously announced tax changes affecting personal income tax rates and thresholds and employer/employee Social Health Insurance contributions,</p>

	<p>among other areas of personal taxation. These changes are in line with the conditions for the Agreement between Mongolia and the International Monetary Fund that we reported on earlier.</p>
Nigeria	<p><u>Immigration Regulations in Force, Implementing Considerable Changes</u> Nigeria released the Immigration Regulations, 2017 on 20 March 2017. Amongst other things, the far-reaching Regulations concern the employment applications of non-Nigerians, eligibility for residence permits, and Business Permit requirements. The Regulations became effective from 27 February 2017.</p>
Switzerland	<p><u>Social Security Agreement with China Comes into Effect 19 June</u> The social security agreement (SSA) between the People's Republic of China ("China") and Switzerland will enter into force on 19 June 2017. The SSA covers posted employees and posted self-employed individuals from China to Switzerland and from Switzerland to China, including third country nationals. Under certain conditions, the SSA will allow posted workers to be exempt for a maximum of six years from the obligation to contribute to the social security system of the other country.</p>
United Kingdom	<p><u>6 July Employer Reporting Deadline for Share Plans and ERS</u> The deadline for U.K. filing employment-related securities (ERS) annual returns for the 2016/17 tax year is 6 July 2017. This is an employer reporting obligation, so companies must comply. Although July may seem some way off, it can take several weeks to prepare the returns. Further, if ERS arrangements have not already been registered online, the process can take even longer.</p>
United Kingdom	<p><u>6 April Means Important Changes to Immigration Rules</u> On 6 April 2017, significant changes to the U.K. Immigration Rules for Tier 2 employer-sponsored migrants came into force. Among the changes are the introduction of an Immigration Skills Charge ("ISC") payable by sponsors for each sponsored migrant, the imposition of the Immigration Health Surcharge to Tier 2 (ICT) migrants and their dependents, increases in application fees, and new minimum salary thresholds.</p>
United Kingdom	<p><u>Impact of "Hard Brexit" on Social Security for Assignees</u> It is important to bear in mind that European Union (EU) social security regulations will be on the negotiating table as the U.K.</p>

	<p>government and EU officials work towards an exit agreement for the United Kingdom over the next two years now that Article 50 has been triggered. This newsletter looks at this area tied to the U.K.'s membership of the EU and what the EU-U.K. social security "relationship" may be post-Brexit.</p>
United Kingdom	<p><u>Truncated Finance Bill 2017 Due to Snap General Election</u></p> <p>The snap general election called in the U.K. has consequences for the Finance Bill which was undergoing debate in Parliament. The government has removed certain clauses in the Bill, including those dealing with the new "deemed domicile" rules, the changes to the termination payments rules, and the legislation to support "Making Tax Digital." However, a number of substantive provisions remain including those covering salary sacrifice, IR35 and workers providing services to the public sector, and changes to the treatment of foreign pensions and transfers to Qualified Recognised Overseas Pension Schemes.</p>
United States	<p><u>H-1B Cap Random Selection Process for FY2018 Is Complete</u></p> <p>The United States Citizenship and Immigration Service (USCIS) announced on April 7, 2017, that it has received enough H-1B petitions to reach the statutory cap of 65,000 visas for fiscal year (FY) 2018. USCIS has also received a sufficient number of H-1B petitions to meet the U.S. advanced degree exemption, otherwise known as the "master's cap." Also, USCIS temporarily suspended "premium processing" – starting April 3, 2017 – for all H-1B petitions, including cap-exempt petitions, for up to six months.</p>
United States	<p><u>IRS Announces ITIN Applicants Can Use CAAs Abroad</u></p> <p>According to a recent IRS communication, the U.S. Internal Revenue Service has expanded the options available to taxpayers residing abroad who need an Individual Taxpayer Identification Number (ITIN) to fulfill their U.S. filing requirement. Taxpayers can now visit a U.S.-based Certified Acceptance Agent (CAA) or a CAA located abroad.</p>
United States	<p><u>Trump Administration Releases Tax Proposals</u></p> <p>On April 26, 2017, U.S. Treasury Secretary Steven Mnuchin and National Economic Council Director Gary Cohn announced at a White House press conference the "core principles" of the president's plan for tax reform and simplification. For individuals these include lower tax rates and a simplification of the tax brackets, elimination</p>

	of the alternative minimum tax (AMT), doubling the standard deduction, eliminating most itemized deductions, and abolishing the estate tax.
Zimbabwe	New Finance Act Contains Some Measures Affecting Individuals Zimbabwe's Finance Act 2 of 2017 has taken effect. The Act contains provisions concerning individuals that affect the taxation of severance, rental income, pension pay-outs, various tax credits, employee fringe benefits, nonresident directors' fees, and permanent establishment. In most cases, the effective date for these measures is January 1, 2017.

Publications, Videos & Webinars	
GMS- Employment Tax	Payroll Insights (April 2017) * "Changes in the 'Settlement Rule' for Nonqualified Stock Options: From T+3 to T+2" * "Mobile Workforce Bill Passes the House Judiciary Committee"
GMS- Immigration	The Expatriate Administrator (April 2017) * " Germany Takes Steps to Enable Intra-Company Transfers with Many Changes in Store " by Dr. Sebastian Klaus (KPMG Rechtsanwaltsgesellschaft mbH, Germany)
GMS- Immigration, Legal Services (U.K.)	"Managing the Impact of Brexit on Your Workforce: What to Do Now that Article 50 Has Been Triggered" by Karen Briggs, Head of Brexit, KPMG LLP (U.K.) and Punam Birly, Head of Legal Services – Employment & Immigration, KPMG LLP (U.K.)

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