



With recent events in Hong Kong, employers have received an increase in requests from staff asking to base themselves overseas for a period. Employers need to strike a balance between talent retention and risk management. As business requirements and staff preferences are changing rapidly, it is essential to have good guidance and processes in place.

Issues and risks

 Immigration	Employees must have the right to work in the chosen location.
 Personal income tax	Personal income tax may be triggered based on presence in a location.
 Employer obligations	Employer reporting, payroll taxes and/or social security may be required regardless of whether employee is taxable
 Corporate tax	An employee working in another location risks the employer having a taxable presence (permanent establishment)
 Regulatory restrictions	Specific roles and activities may be prohibited in a different location
 Others	Occupational health and safety issues and benefits, such as medical coverage, need considering



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