



GMS Flash Alert



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COVID-19-Related Flash Alerts

Visit the [GMS Flash Alert COVID-19 page](#) pulling together all reports dealing with coronavirus-related matters, whether they be tax, social security, immigration, or labor law. The page is organized by country and topic for your convenience.

All Other Flash Alerts

Belgium

[***Expatriate Tax Regime Bill Closer to Passage, More Changes Announced***](#)

The special expatriate tax regime reform currently included in a draft bill in Belgium has undergone further changes: the scope of the definition of “qualifying individuals” has been broadened; there is more clarity around the 30 percent which is considered tax-free – it is a maximum lump-sum tax-free amount and no further details/supporting documents of the covered costs need be provided to the Belgian tax authorities; and applications for an opt-in to the new regime would need to be filed by July 31, 2022, i.e., one month extra compared to the earlier announced due date.

European Union

[***ECJ Decides on Free Movement of LGBTQ Families***](#)

The European Court of Justice has ruled that a member state must issue an identity card or a passport to a child who is a national of that

member state and whose parents are two persons of the same sex. The member state must recognise the child's right to move and reside freely within the territory of the EU with each of those parents. The ruling confirms that the same-sex parents and their children must not be prevented from exercising their rights that derive from EU law, such as the right to travel freely and take residence in another member state.

[New Entry/Exit System to Be Implemented for Non-EU Travellers](#)

Effective in 2022, third-country nationals (i.e., non-European Union (EU) nationals) arriving in EU countries will be met with a new system – the Entry/Exit System (EES). The system will be an automated information technology (IT) system registering short-stay visa holders and visa-exempt travellers from third countries each time an EU external border is crossed. Also, by the end of 2022, all travellers that currently do not need a visa to enter Europe will need to apply for an ETIAS travel authorisation.

Finland

[Delay on Introduction of “Economic Employer”](#)

The Finnish government's proposal on introducing the concept of economic employer has been delayed until the beginning of 2023. This *GMS Flash Alert* looks at some of the concerns and observations around the government's proposal and raises the possibility of further changes.

France

[Brexit, Changes in Way Certificates of Coverage Will Be Issued](#)

The French authorities have indicated that they no longer wish to extend expiring A1 certificates requested under the posting rules of the European Union (EU) social security coordination rules beyond June 30, 2021, for employees covered by the United Kingdom withdrawal agreement. Also, the responsibility for the issuance of certificates of coverage will be transferred to a new, dedicated international mobility service of URSSAF, the French social security contribution collection body.

Norway

[Budget 2022 Has Several Measures Affecting Individuals](#)

[Your Move Abroad:](#)
[Answers for the Top 50](#)
[Common Questions](#)

[Global Reward Services](#)
[Newsletter](#)

[Insights on Global](#)
[Mobility](#)

	<p>The state budget passed recently by Norway’s parliament features, among other measures, the following which will affect individuals – including those on international assignment: a small increase in the top tax rate; introduction of an additional step (step 5), with a new rate, to the bracket tax table; increases in various allowances; lowering the amount of charitable contributions that can be claimed for deduction; and changes to the tax-free discount for the acquisition of shares in an employment share programme.</p>
<p>People’s Republic of China</p>	<p><u>Tax Administration Tightening Compliance on ESOPs</u></p> <p>Article 10 of a recently issued Circular from the tax authority in the People’s Republic of China, imposes an additional tax reporting requirement and enforces existing tax reporting requirements on an organization’s Employee Share Ownership Plan (“ESOP”), and has attracted a lot of attention. The reporting requirements also apply to domestic companies participating in the ESOPs of overseas companies.</p>
<p>Sweden</p>	<p><u>Court Rules on Expert Tax Relief</u></p> <p>Sweden’s Supreme Administrative Court handed down a new ruling concerning how compensation paid to foreign workers is to be calculated in order to assess whether the employee may be entitled to the so-called “expert tax relief.” The court’s ruling means that compensation paid by a foreign employer without a permanent establishment in Sweden can also be taken into account, for purposes of the expert tax relief, provided that the Swedish employer bears the cost of the compensation.</p>
<p>United States</p>	<p><u>Delays Occurring for Issuance of ITINs, Certificates of Coverage</u></p> <p>It has come to light that there are delays in processing applications for Individual Taxpayer Identification Numbers (ITINs) and Certificates of Coverage (COCs) in the United States – this will be of interest to global-mobility professionals. Delays in processing ITIN applications may hold up issuance of tax refunds, and may delay the ability to file other tax documents that must include the ITIN. And delays in issuance of COCs may have a direct impact on the planning of international assignments.</p>

	<p><u>Extension of Time to File Year 2021 FBARs</u></p> <p>The U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) announced an extension of time for filing the "Report of Foreign Bank and Financial Accounts (FBAR)" for certain individuals who have only signature or other authority over certain foreign financial accounts to April 15, 2023. For all other individuals with an FBAR filing obligation, the filing due date for calendar year 2021 FBARs remains April 15, 2022. However, note that all filers automatically receive a six-month extension of time to file their FBAR.</p>
United States/ Malta	<p><u>Competent Authorities in New Arrangement Clarify "Pension Fund"</u></p> <p>On December 21, 2021, the U.S. Internal Revenue Service (IRS) announced that a competent authority arrangement ("CAA") was signed by the competent authorities of the United States and Malta. The CAA clarifies the definition of a "pension fund." By clarifying the limited scope of the definition of "pension fund" for purposes of the U.S.-Malta double taxation treaty, the U.S. and Malta have confirmed that taxpayers cannot interpret Articles 17 or 18 of the Treaty to apply to certain personal retirement schemes established in Malta.</p>

<p>Publications, Videos & Webinars</p>	
<p>KPMG LLP (U.S.) – Global Mobility Services</p>	<p><u>KPMG Health & Welfare</u>: Learn how our new KPMG Health & Welfare team can help boost your global benefits program. Click here to learn more.</p> <hr/> <p><u>Listen to our Podcast Series for Global Mobility Leaders!</u> This series – with more to come – looks at significant trends and the "future state" of global mobility as it faces the winds of automation, geopolitics, diversity and inclusion, and more!</p> <hr/> <p>Updated booklet – <u>Your Move Abroad: Answers to the Top 50 Questions</u>. Check out our newly updated "Your Move Abroad" publication, which includes answers for the</p>

	<p>top 50 common questions that employees have regarding international moves.</p>
KPMG LLP (U.S.) – Global Mobility Services, Employment Tax Practice	<p><u>The 2021 Payroll Year-End Report and Checklist</u>. Prepared jointly by KPMG Employment Tax professionals and editors at Bloomberg Tax, the report covers a wide array of topics - including policy issues, changes reflecting the requirements for work from anywhere, and common concerns at year-end that have been identified as historically troubling for employers. The checklist, which includes useful “dos and don’ts,” can help employers track year-end payroll responsibilities.</p> <p>In case you missed it – listen in playback to KPMG Employment Tax and Bloomberg Tax & Accounting professionals discuss, in a November 17, 2021 webinar, how to prepare for year-end payroll 2021. Click here.</p> <hr/> <p><u>Payroll Insights</u> – A publication from KPMG LLP’s Employment Tax practice. It is designed to provide you with current developments in the payroll and employment tax arena and is published periodically throughout the year as developments warrant. In the December edition, you can read about:</p> <ul style="list-style-type: none">• John’s Fresh Take: Tax compliance• Companies reconsider domestic and global tax compliance• IRS increases limits to retirement plan contributions• New Jersey ends COVID-19 temporary suspension period for nexus• New York updates state retirement plan requirements• State updates: 2022 employment tax rates and rules• Meet one of our Employment Tax professionals.

	<p>Article in <u><i>Mobility Matters</i></u> – “<u><i>There’s Nothing ‘Remote’ about Personal Income Tax and Social Security When Working Remotely or Teleworking</i></u>.” Looking at the new work environment that has emerged during the pandemic, certain questions arise. How does a company implement a successful strategy for teleworking, especially when it has globally-mobile employees? Is teleworking a viable option at all? How should the company address the challenges of taxation and social security for itself and for its teleworkers? Is the evolution toward teleworking and other flexible working arrangements compatible with taxation and social security? Have national tax authorities and governments taken note of this development for purposes of designing their national tax and social security policies? These are some of the questions that the author, Daida Hadzic, a professional with Meijburg & Co. (the KPMG International member firm in The Netherlands), examines in this <u>article</u> (in .html and .pdf formats).</p>
<p>KPMG LLP (U.S.) – Global Mobility Services, Mobility Consulting Services Practice</p>	<p><u><i>The 2021 KPMG Global Assignment Policies and Practices (GAPP) Survey Report</i></u>. The results of the 2021 KPMG Global Assignment Policies and Practices (GAPP) Survey are now available. For global-mobility leaders of multinational organizations, benchmarking their global-mobility policies and practices against those of other global organizations and industry peers can be a powerful tool for reflecting on their current approach and planning how to prepare their talent-mobility programs for the future.</p> <p>The data in this report offer insights into global-mobility programs and how they are evolving in terms of mobility, tax and immigration policies, structure, governance, priorities, performance measures, using technology and automation, and more.</p> <p>To view the client-facing website, key findings, and to access the <i>2021 KPMG Global Assignment Policies and Practices (GAPP) Survey Report</i>, click <u>here</u>.</p>
<p>KPMG LLP (U.S.) –</p>	<p><u><i>Catching Up on Capitol Hill Podcast Series</i></u> – KPMG professionals speak about current developments in Washington, D.C. and what may happen next. And they’ll</p>

Washington National Tax	<p>discuss why it's happening. All with the goal of helping companies make sense of tax policy discussions, understand what the impacts may be on their organization, and aid them as they go about their daily jobs. The latest episode "Build Back Better (Next Year): The Biden Tax Plan Slips to 2022" can be accessed by clicking here.</p>
KPMG International	<p>The COVID-19 GMS & Immigration Global Tracker Interactive Map, is available on the <i>GMS Flash Alert</i> COVID-19-themed webpage. This interactive map tracks recent information and updates on developments by country, making it easy and convenient for you, at a glance, to follow COVID-19-related developments in the regions and/or countries that interest you. Topics covered include the following: travel restrictions; payroll reporting and withholding changes; immigration; tax profile / tax residency changes; compensation and benefits; waivers of penalties and interest; social security; and filing / payment due dates.</p> <hr/> <p>GMS Showcase on LinkedIn – Follow us on LinkedIn at: https://www.linkedin.com/showcase/kpmg-global-mobility-services/.</p>
KPMG in Ireland	<p>Article: "Budget employment tax measures: Budget 2022 – What's in it for employers and employees?" Amongst other policies and measures announced, this article covers remote working, as the government announced an enhancement to the current working-from-home income-tax reliefs with a promise of formal legislation to support the future of remote working by employees. It also covers developments with the minimum wage and USC and employer PRSI updates.</p>
KPMG in Malta	<p>Article: "Payroll Highlights - Malta Budget 2022." Get updated with the latest 2022 Malta Budget measures with respect to payroll, social security, and employment taxes.</p>
KPMG in the People's Republic of China	<p>Expiring Expat Tax Concessions – The income tax treatment for expatriate fringe benefits is changing at the end of 2021. This will have a significant financial impact on expatriates or foreigners currently benefitting</p>

	<p>from the preferential regime. The People Services team in China and Hong Kong has prepared a flyer which provides a clear guide for employers and HR teams who have yet to structure their talent plans for 2022. To access the flyer, click here.</p>
KPMG in Switzerland	<p>Webpage and resources: "Work Anywhere, Together: Impact on companies and their competitive position." For some businesses, embracing "work from anywhere" can be the spark that ignites opportunities across culture, talent, and commercial strategies. Implementing flexible work structures and empowering virtual collaboration give them a leading edge over their competitors as they act with agility to reduce cost and access a whole new talent pool. Learn more about how to achieve your goals in the new workplace environment with a winning "Work Anywhere, Together" (WAT) strategy by clicking here.</p>

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