Moving executives across international borders raises a vast array of complex compliance and human resource issues.

*The Bonadio Group has the resources and capabilities to assist your company with its global mobility program needs.*
UNDERSTANDING THE CORPORATE IMPLICATIONS OF A GLOBAL WORKFORCE

In today’s global economy, companies with worldwide operations need leaders and employees with extensive international experience to help manage and run their broad and diverse geographic operations. Noncompliance from moving executives across borders raises issues—ranging from monetary penalties for companies not aware of local country laws and regulations, to jail terms for unsuspecting executives unaware of their local tax obligations.

Compliance issues relating to an international executive assignment are not just theoretical—they present very real challenges. The concerns are multifaceted, from individual and corporate filing and reporting obligations, to local employment laws and immigration considerations, and regional regulations regarding data privacy and right to work.

Overcoming Challenges

To overcome these challenges, companies must address upfront the full spectrum of global employee issues. Keys to achieving this objective include:

1. Obtaining clear governance and direction on tax and payroll compliance requirements,
2. Understanding the data needs, process, controls and technology that will be needed to efficiently manage a global assignment program, and
3. Deploying a service delivery model that is specifically designed to support cost-effective compliance.

Global tax responsibility is one of the major expenses associated with international assignments. Companies and employees may be subject to taxation and reporting requirements simultaneously in several different locations, and these tax obligations often continue beyond the assignment completion date—driven by equity awards, other forms of deferred compensation, and tax equalization settlement payments.

Effective Tax Planning

While international tax issues cannot be completely eliminated, they can be effectively managed so that the global executive accepts and begins a new assignment without the concern of being in violation of home or host country regulations.

Effective tax planning and structuring of compensation arrangements within a global mobility program can save your company thousands of dollars for each employee deployed and potentially millions of dollars a year for your company.

Improved tax planning for global mobility can help a company reposition its people without being overly constrained by the costs and complexity of international tax requirements. And from a strategic perspective, that operational flexibility can be even more valuable than the actual cost savings.
**Additional Specialized Tax Services**

Today’s international and state tax laws and regulations are more complex and time consuming to understand and manage than ever before. Our tax professionals can help you minimize tax consequences and maximize tax benefits through:

- Business Acquisition, Sale or Exit Strategy
- Capitalization as Repair Analysis
- Cost Segregation Analysis
- Entity Selection for start-ups and mergers
- Estate, Gift and Trust Tax Returns
- Individual & Business Tax Returns
- International Tax
- International Assignment Tax
- Multi-State Taxation
- NYS Empire Zone Credits
- QEZE & Other New York State Credits
- R&D Tax Credits
- Representation Before Federal & State
- Sales Tax Audits
- Section 199 Manufacturing Deduction Studies
- Tax Agencies
- Tax-Exempt Organization Returns
- Tax Planning
- Transactional Planning
- Transfer Pricing

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**Assistance from The Bonadio Group**

The Bonadio Group has the resources and capabilities to assist your company with its global mobility program needs. Our International Assignment Services Team can provide tax compliance and related consultation services in the United States and, through our Moore Stephens International network, in foreign countries around the globe, for inbound and outbound assignees. See page three for specific services.

In addition, if you require a more diverse program offering, we have the ability to assist in the administration of your entire global mobility program with a International Assignment Human Resource Service partner. From preparing balance sheets and assignment letters, to host country relocation guidance and coordination, to payroll guidance and interfacing, as well as support with respect to the multiple needs of the executive’s family members, this offering can fill a gap in your organization that might not be cost-effective if managed by company personnel. The partnering relationship between The Bonadio Group and this provider results in a seamless and full range of services for our mutual clients.

**Business Tax Preparation**

The Bonadio Group maintains one of the largest business tax practices in upstate New York—it is core to who we are and what we do, and a tribute to the experience, expertise and dedication of our professionals. Our business tax compliance services are designed to be client-centered, focusing on understanding each client’s business to allow us to effectively plan the most appropriate compliance strategies.

Within the tradition of our “& More” philosophy, we are determined to minimize your tax obligations on both a corporate and personal level. We are experts in cost segregation studies, R&D tax credits, the Section 199 Manufacturing Deduction, Section 460 studies for contractors, international taxation of businesses and individuals, and local economic development programs offering tax credits and other incentives.

The unmatched level of skill and service we provide is the product of the most rigorously trained tax professionals, state-of-the-art research capabilities, sophisticated technology, and a unique tax planning and preparation quality control process, overseen by our Professional Excellence Division.

**About The Bonadio Group**

Founded in 1978, The Bonadio Group offers accounting, business advisory and personal financial services to clients of all sizes. Bonadio is a nationally ranked Top 40 CPA firm with 10 offices across New York State and Vermont. Combined with our affiliation with Moore Stephens, a worldwide organization consisting of more than 290 leading independent accounting and consulting firms with more than 600 offices in 103 countries, we offer the resources of a national firm, along with the responsiveness and personal attention of a local firm. Our professionals deliver practical, proactive, and innovative solutions to help clients reach their financial, compliance, management, and personal goals.

Our clients turn to us because they know that our expertise, professionalism and technical skills are commensurate with the largest national firms. Our responsiveness, hands-on project management and reasonable fee structure are the ingredients for Bonadio’s ability to consistently exceed client expectations.
U.S.-Based International Assignment Services

- U.S. tax planning to minimize company assignment costs
- Assistance and preparation of tax cost projections for new assignments to assist with company planning and budgeting
- Pre-departure/arrival tax consultation with assignees
- Preparation of U.S. and state/local tax returns, related extension requests when necessary, and Form 114, Report of Foreign Bank and Financial Accounts
- Arrangement for extension payments prior to filing deadlines in order to avoid unnecessary interest and penalties
- Preparation of tax equalization calculations
- Aggressive pursuit of nonresident positions for state and local tax purposes
- Customized hypothetical tax calculations
- Correspondence and communications with client personnel and employees to discuss assignee hypothetical and actual tax withholdings
- Consultation with international assignees regarding various tax matters
- Assignee representation and advocacy with U.S. federal, state and local taxing authorities, including responses to notices, audit requests and follow-up regarding tax refunds
- Preparation of amended federal, state, or local tax returns (including amended tax equalization calculations)
- Preparation of estimated U.S./state tax calculations for employees as necessary.
- Preparation of federal, state, FICA and Medicare tax gross-up calculations.
- Consultation regarding utilization of totalization agreements to reduce social tax obligations
- Application for Individual Tax Identification Numbers for assignee’s spouse and dependents in order to claim dependent exemptions on U.S. returns
- Utilization of a proactive process to remind expatriates about outstanding information to ensure timely filing of returns
- Consultation—including research, discussions, memoranda with respect to company or individual issues, and guidance regarding tax reporting obligations
- Ongoing tax planning and assistance with implementation of new approaches

Host Country-Based International Assignment Services (Provided Through Our Moore Stephens Affiliation)

- Foreign tax planning to minimize company assignment costs
- Review of local laws to ensure compliance with withholding and foreign tax remittance requirements
- Work with third-party payroll vendors in certain locations during the compensation accumulation and reporting process
- Consultation—including research, discussions, and memoranda with respect to client company or individual employee issues
- Aggressive pursuit of host country non-resident status
- Preparation of foreign income tax returns
- Preparation of tax equalization calculations
- Pre-departure/arrival interviews with assignees to prepare necessary questionnaires, calculate required tax withholdings and to provide a basic understanding of local tax filing requirements
- Consultation regarding utilization of totalization agreements to reduce double social tax obligations
- Preparation of estimated hypothetical tax calculations for withholding purposes
- Response to foreign tax jurisdiction information requests, notices, and/or audits, and follow-up as necessary regarding tax refunds
- Preparation of estimated actual foreign tax calculations for such purposes as determining actual tax withholding requirements and/or estimated tax payments
- Ongoing tax planning and assistance

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