Multinational companies often require employees to travel between markets. Employees are also at times asked to relocate internationally for business critical projects or to give future leaders the international experience important for job progression. Corporate HR/Mobility teams need to ensure that these moves are done quickly, cost effectively and in compliance with host and home location immigration, tax and social security regulations. A successful global mobility program is one that responds to the businesses’ expectations of an internationally agile and cost effective talent deployment while ensuring compliance and protecting the company’s reputation.

68% of organisations agree that a mobile Workforce is an enabler of business and talent strategies. Deloitte 2017 Global Human Capital Trends Survey

Key scenarios when to contact us:
- Deployment of international project teams
- Domestic or global payroll management including social security audits
- Assisting with obtention of permits/visas and other immigration matters
- Helping executives with tax efficient incentive plans
- Getting clarity on the actual costs of a mobility program

We help your firm to create a robust, efficient mobility programme that ensures compliance and captures value.

Compliance
We help organisations understand mobility compliance obligations and how to address them in line with a company’s overall compliance strategy.

Advisory
We assist companies in continually leveraging the latest technology in order to bolster compliance, improve employees’ overall assignment experience and reduce cost.

Strategy
We advise on mobility strategy, including segmenting mobility populations or measuring the ROI of mobile employees and other methods of analysis.

Reassurance that country-specific compliance obligations are being met
Knowledgeable local contacts ready to assist your international workforce
Alignment of your mobility programme to your talent agenda
In-depth insights from your own mobility data using our innovative analytics technology

Client/Industry: A major semiconductor manufacturer with more than 45,000 employees worldwide
Challenge: To ensure consistent multi-jurisdictional tax compliance for client’s C-suite executives and corporate vice presidents with a high standards of confidentiality and in a cost-efficient way
Solution: Careful co-ordination of all C-suite executives in all countries where needed to be compliant, developed and implemented an easy-to-use mobility management model
Outcome/impact: The resulting model has saved millions of CHF in tax and social security charges and provided protection over accumulated pension benefits, ensured compliant and tax-efficient. It guaranteed confidentiality and provided user-friendly dashboard reporting for budgeting for the future

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Global Workforce Advisory

THE CHALLENGE

Multinational companies face significant challenges in managing effectively the increasing number of employees who travel between markets. These include:

• Misalignment of global mobility programme with core business and talent strategies
• Inability to assess the effectiveness of their mobility programme through data and insights
• Poor use of technology solutions to manage their mobile workforce

What we hear from our clients:

• Compliance - “Are all our moves compliant? What about our business travellers and commuters?” / “We have a lot of back-to-back assignments – how do I assess whether a GEC would be right for us?”
• Operations - “We are struggling with the many different country payrolls, and are regularly correcting mistakes.”
• Strategy - “How can I improve the link between Global Mobility and Talent?” / “How do I manage assignee wellbeing while they are on assignment?”

SOLUTION

The Deloitte approach to Global Workforce Advisory seeks to align the client’s mobility programme with its business and talent strategies, ensure the effectiveness of talent mobility and provide technology solutions to help manage a diverse globally mobile workforce.

Compliance
Travel data review to gain insights into the current state of tax, social security and immigration compliance; Global Employment Company (GEC) assessment, impact analysis, location reviews and implementation support

Advisory
Global payroll management services; tax advisory and executive compensation; review and set-up of new mobility operating models including shared services; vendor advisory; and technology implementations

Strategy
Talent and business alignment consulting; workforce planning; new country entry and company relocations; global mobility talent labs and data analytics

BENEFITS

More rapid deployment of talent within and across borders | Talent and business strategy alignment
Improved employee experience due to more innovative and efficient structures and processes
Better insight into mobility management and global HR deployment
Transparency of workforce and mobility costs

CLIENT CASE

Client/Industry: A major Swiss-parented financial services organisation.

Challenge: To deliver a tax compliance and assignment management service delivery model utilizing technology to support business transformation.

Solution: Careful consideration of alternative service models. Selection and implementation of a business partnership with our external technology partner to deliver a mobility proposition that will bring added value through a unique combination of technology and tax services.

Outcome/impact: The resulting service delivery model will allow our client to transform their mobility service delivery model in line with their business requirements, whilst benefiting from leading technology and best-in-class implementation and tax compliance support from Deloitte.

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The Challenge

In support of global growth strategies, it is becoming increasingly important for multinational companies to deliver talent efficiently, where it is needed in a timely manner. Worldwide regulatory changes are increasing the challenges to obtaining permission to work.

Deloitte’s experience working with local regulators, immigration authorities, and multi-jurisdictional committees provides indispensable insights that help facilitate streamlined management of essential issues. This expertise helps ensure that immigration compliance requirements are managed effectively and efficiently.

Key scenarios when to contact us:

- Immigration support for foreign local hires, assignees or business travellers
- Internal or external immigration audits or authority spot checks
- Strategic immigration advice

Solution

We help your firm to create a robust, efficient immigration programme that ensures compliance and enables the business.

Compliance

We help organisations to implement an efficient immigration compliance process, including training of their stakeholders, to reduce internal processing time for obtaining required documents and approvals.

Advisory

We update our clients about changes in immigration requirements, facilitate meetings with the local authorities, and advise on complex cases such as work permits for start-up companies.

Strategy

We advise on immigration strategy, and assist with internal immigration awareness initiatives and reviewing salary elements to ensure cost efficiency with regard to minimum salary requirements.

Benefits

- Experienced local immigration team with strong relationship to the immigration authorities
- Holistic immigration solutions that consider tax, social security and labour law aspects
- Technology for tracking, reporting, saving and sharing of documents, status updates

Client Case

Client/Industry: A major retail business company with globally over 28,000 employees.

Challenge: To ensure that frequent business travellers are identified before travelling to Switzerland and obtain the required work authorization in time.

Solution: Through an internal audit, workshops and webcast training, stakeholders were informed about relevant immigration requirements and the resulting assignment costs.

Outcome/impact: As a result of the internal communication the company had a clear understanding of the immigration requirements and assignment costs per employee. A process has been put in place to identify frequent business travellers before they travel to Switzerland, and pre-checks have been put in place to check if the planned work can also be performed remotely in the home country to save cost and maintain immigration compliance.

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HR and mobility teams must ensure that social security contributions are correctly calculated and paid on time to the right authority. This requires that the necessary certificates are in place and that the correct amount of social security is paid in home and host countries. In addition, it is important that the company’s assignment and tax policies are clear with regard to the treatment social security position of the assignees, to manage their expectations.

A well-executed global social security strategy ensures compliance for the employer, while safeguarding the social security rights of the international assignees and their families.

**Key scenarios when to contact us:**
- Advice on compliant social security positions for international assignees
- Assistance with obtaining social security certificates in various locations
- Global social security health checks
- Advising on optimal social security positions non-executive directors
- Providing clarity about the actual social security cost of a mobility program

**SOLUTION**

We help your firm to create a robust and efficient global social security process that ensures compliance.

**Compliance**

We help companies by analysing their overall social security position and applying for certificates of coverage. We track and renew these certificates when needed. We provide assistance with identifying the correct social security treatment of compensation packages in a global environment.

**Advisory**

We advise on complex social security cases such as international commuters / multi-state workers and non-executive directors. In addition, we provide insights to HR and mobility teams about their mobility program with regard to social security, such as total costs, global compliance and optimisation.

**Strategy**

We assist companies with identifying their strategy with regards to social security, based on their wider global mobility strategy and global mobility and tax policies.

**BENEFITS**

Compliant and consistent global social security program
Insights into your global mobility program
Improved assignee experience

**CLIENT CASE**

**Client/Industry:** A major pharmaceutical company with more than 90,000 employees worldwide.

**Challenge:** How to ensure that all international assignees are subject to the correct social security scheme during their assignment and that the correct social security certificates are in place.

**Solution:** Technology was leveraged to analyze the social security position of every international assignee to ensure that the correct amount of social security was paid in the correct country, and that the required certificate was applied for on time.

**Outcome/impact:** This technology has resulted in clearer oversight for the central global mobility team and ensured that the company was compliant with its social security regulations. There is no longer a risk that social security is not paid, nor paid twice.

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THE CHALLENGE

When multinational companies send employees on international assignments, the local payroll team or an external payroll provider must ensure that the social security and tax position of the assignees is compliant with both home and host country rules. This requires an understanding of the assignment compensation structure and ensuring that the company’s mobility and tax policies are expressed clearly so that payroll compliance is enabled and supported.

Payroll is often seen as purely administrative and not directly linked to a company’s global mobility programme. However, it is an integral part of a successful global mobility programme, preventing a company and their employee’s from exposure to legal action (e.g. fines, potential imprisonment) and reputational damage.

Key scenarios we can assist on:
- Advice on the tax and social security policy and processes for mobile employees
- Negotiations with authorities for optimization of shadow payroll processes
- Need for assistance with operating your shadow payroll in Switzerland or abroad
- Health checks on withholding and reporting processes in advance of audits
- Establishing global compensation management processes

SOLUTION

We help your firm create robust and efficient local and global payroll processes that both facilitate and ensure compliance.

Compliance
We analysis the overall international compensation structure and establish processes for correct current and trailing reporting of compensation for tax and social security purposes.

Advisory
We advise companies on the complex compensation structures that arise from international postings. This includes negotiating with relevant tax and/or social security authorities in order to optimise the local reporting and withholding processes. In addition, we provide insights for the relevant stakeholders about the costs of their mobility programme with regard to tax and social security and/or total cost plus local/global compliance.

Strategy
We assist companies with optimising their mobility policies to facilitate global compliance, including global compensation management processes.

BENEFITS
Compliant and consistent global payroll processes | Facilitates insights into the true cost of your mobility programmes
Improved business and assignee experience | Enhancing trust with local authorities and avoiding “bad press”

CLIENT CASE

Client/Industry: A global engineering company with more than 75,000 employees worldwide.

Challenge: To ensure that international assignees and business travellers are subjected to the correct tax and social security schemes during their international postings to Switzerland, in the most administratively efficient way for the company and yet ensuring full compliance.

Solution: Understand the client’s specific needs and engage with the relevant Swiss tax authorities, to ensure administratively transparency and efficiency as well as optimizing their tax position.

Outcome/impact: An annual withholding and reporting process, with all key compensation and calendar data available for Swiss reporting purposes, that minimizes the administrative impact for the client and facilitates transparent cost overview for the project management and finance group.

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THE CHALLENGE

Compliant reward, employment tax and share plans:
Multinational companies face significant challenges in effectively managing their reward strategy and ensuring compliance in relation to their regulatory requirements.

The key challenges are:
• The increasingly regulated environment, particularly with regard to disclosures about remuneration, which places additional demands on corporate reporting and compliance.
• Lack of new incentive strategies to attract and support talent in an agile global market.
• Organisations need to design and operate compensation and benefit programmes in a cost-effective, tax efficient and compliant manner – for the employer as well as employees.

SOLUTION

Our Swiss Reward practice can help organisations design and operate reward programmes in a cost-effective, tax-efficient and compliant manner, ensuring they align with overall talent and corporate strategies and market place needs, whilst also making them attractive to employees.

Our key services include:
• Varied range of employer services including assistance with specific employer compliance obligations for companies operating in Switzerland.
• Global Advantage Incentives system to help manage tax and social security compliance, suitable for all types and sizes of incentive programmes.
• Incentive plan services, including reviews of equity plans and advice on tax, regulatory and accounting issues.
• Assistance in dealing with the impact of corporate transactions on incentive arrangements.

CLIENT CASE

Client/Industry: A research company for therapeutic medicine with employees in all major western markets and emerging markets in South America.

Challenge: To ensure the adoption of their equity-based long-term remuneration plan in all countries where the company operates.

Solution: Analyse the long-term incentive plan and coordinate a plan review for a significant number of countries. Providing the client with advice in respect of tax treatment to facilitate the company recharge of the LTI and to ensure correct local payroll reporting and withholding. Delivery of statements and presentations to employees outlining the tax and social security consequences of equity based remuneration in their location.

Outcome/impact: The resulting information ensures local compliance of the long-term incentive plan administered by the holding company and offers them a single point of contact for any questions relating to any country on tax and social security.
Core Swiss Tax Services

THE CHALLENGE
Multinational companies and their employees are expected by the Swiss federal and cantonal governments to comply with tax requirements. These are complex when international or inter-cantonal aspects are involved. Globally mobile employees and multinationals face increasingly challenging tax compliance obligations. Some requirements may appear contradictory or difficult to implement. Having clear guidelines, policies and processes in place is crucial for managing tax requirements and deadlines in an effective and timely manner.

Key scenarios when to contact us:
• Taxation of globally mobile employees (assignees, project workers and short-term business visitors)
• Annual disclosures of equity-based compensation
• Clarification of the tax treatment of benefits in kind and long-term incentive plans
• Employment transactions (e.g. localisation, terminations, assignments)
• Pension planning and the related tax treatment of contributions and pensions payout
• Risk assessment/review of historical positions
• Negotiations of expense manuals and other rulings with the tax authorities

SOLUTION
We help your company and your employees keep compliant. Our assistance means that you pay the right tax amount of tax, to the right authority at the right time.

Compliance
We help companies and their employees understand tax compliance obligations and establish processes in line with domestic and international tax law.

Advisory
We update our clients about changes in tax requirements, facilitate meetings with the local tax authorities and assist individuals with their tax filings whether it is in one or more countries, leveraging any tax savings opportunities.

Strategy
We assist companies with optimizing their strategy with regard to tax compliance, including connecting the individual tax planning with business tax savings.

BENEFITS
Experienced local tax compliance team with strong relationship to the tax authorities
Holistic tax compliance solutions that consider local/international tax and social security aspects
Technology for tracking, reporting, saving and sharing of documents, status updates

CLIENT CASE
Client/Industry: A major pharmaceutical company with more than 90,000 employees worldwide and nearly 1,000 assignees to Switzerland.

Challenge: How to ensure that benefits in kind paid by home locations to assignees in Switzerland were correctly taxed in the most tax efficient manner while removing the admin burden.

Solution: Successful negotiation of a ruling to tax all delivered benefits in kind together at a favorable tax rate.

Outcome/impact: The resulting model saved the company more than CHF 100,000 in tax and social security charges per year and provided a pragmatic, compliant and favorable taxation on home delivered benefits in kind.

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THE CHALLENGE

Multinational companies often have significant US tax implications. Either through a significant presence of non-US individuals working in the US or significant volumes of US citizens working or employed in Switzerland. US tax legislation creates unique and ongoing compliance and cost implications and understanding these is a constant challenge for multinational companies.

Our team is uniquely placed to handle the challenges faced by all individuals with US tax connections – whether they are full US tax payers or resident outside the US but with business, investment, family or other personal connections to the US.

As well as assisting clients with US expatriates on foreign assignment, we have extensive experience dealing with entrepreneurs, partners and associates of law firms and many senior executives based in Switzerland. Aligned to this, we are fully integrated with our Swiss PCS group to ensure holistic advice is provided with both Swiss and US implications.

SOLUTION

CLIENT CASE

Client/Industry: A major pharmaceutical company with more than 90,000 employees worldwide.

Challenge: To ensure consistent multi-jurisdictional income tax compliance and consulting advice for their large population of US citizens in Switzerland

Solution: Tailored and consolidated approach with the Swiss tax team to deliver high-quality tax advice: on accepting a position in Switzerland, during their time there, and on repatriation.

Outcome/impact: Our approach has ensured holistic, timely advice to all US citizens in Switzerland. We have ensured both compliance and an optimal tax approach to ensure US individuals make informed and appropriate decisions across their global tax responsibilities.

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Typical Client Challenges | Benefit of our advisory services
---|---
Planning US tax residency/Non-Residency | • Planning for the timing of certain distributions and transactions prior to or after the start of the US tax residency.
| • Associated tax issues in becoming a ‘US Person’, including foreign asset reporting, estate and gift taxes.
Moving Executives from/to the US | • Advice on payroll and social security withholding and tax planning opportunities.
| • Taxation of incentive compensation arrangements and available elections for optimizing the tax position.
Personal changes (e.g. marriage, divorce) | • Advice on the tax and estate implications of divorce where one party is a US Citizen.
| • Election available to a US taxpayer whose spouse is a foreign citizen.
Giving up US citizenship or green card status | • Advice regarding the implications for US income tax, US estate and gift tax.
| • Comprehensive review of the foreign pension plans and deferred compensation arrangements, as part of expatriation tax planning.
US tax planning | • Advice regarding capital gains tax planning, charitable donations.
| • Maximization of foreign tax credits and other deductions.
| • Bespoke advice on matters such as taxation of pension contributions and/or distributions.
Senior Executive Services

THE CHALLENGE

Senior Executives have responsibilities that involve complex and multi-disciplinary corporate projects requiring a broad variety of services. In addition, Senior Executives have often multijurisdictional tax and social security requirements which are complex due to their cross-border nature. Governments, company stakeholders and public medias expect them to be fully compliant in an increasingly challenging environment where public perception can go beyond strict observance of regulations.

Key scenarios when to contact us:

- Allocation of a Single Point of Contact (SPOC) who is dedicated to the relevant market industry and facilitates access to the right experts, within the broad range of services that Deloitte provides
- Cross-border taxation of C-level Executives
- Reporting of total employment costs for C-level Executives of SEC registered companies
- Pension planning and the related tax treatment of contributions and pension payouts, as well as assistance with the request of pension benefits
- Multi-jurisdictional planning of long-term incentive plans

SOLUTION

We help Senior Executives to protect their interests and their reputation, to create value for them and to align their personal agenda with their company’s strategy.

Compliance
We help Senior Executives to understand their compliance obligations and to tackle them in line with their company’s corporate governance standards.

Advisory
We assist Senior Executives in helping them with their tax filing administrative burdens, leveraging any tax saving opportunities and reducing any financial and reputational risks.

Strategy
We offer a Single Point of Contact and give access to the full breadth of Deloitte capabilities. We also advise on executive compensation strategy and long-term multi-state tax planning, connecting the individual tax planning with both business imperatives and adequate family needs.

CLIENT CASE

Client/Industry: a major semiconductor manufacturer with more than 45,000 employees worldwide

Challenge: to ensure consistent multi-jurisdictional tax compliance for client’s C-suite executives and corporate vice presidents with a high standards of confidentiality and in a cost-efficient way

Solution: careful co-ordination of all C-suite executives in all countries where needed to be compliant, developed and implemented an easy-to-use mobility management model

Outcome/impact: The resulting model has saved millions of CHF in tax and social security charges and provided protection over accumulated pension benefits, ensured compliant and tax-efficient. It guaranteed confidentiality and provided user-friendly dashboard reporting for budgeting for the future

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Contact me for all senior executive related questions, cross-border employment matters and advises on regulatory, tax, social security and pension matters.
Private Clients

**THE CHALLENGE**

Increased mobility among high net worth individuals and families has coincided with the broad expansion of a globally integrated economy - featuring greater cross-border trade and investment - to create an increasingly complex range of global tax issues and a demanding environment for individuals to manage their tax liabilities and risks proactively.

Individuals and families with substantial assets often face difficult decisions associated with protecting and extending their legacy. Integrated tax advice is critical. Deloitte helps individuals to understand, plan and execute effective tax strategies.

**Key scenarios when to contact us:**
- A family decision to relocate its nexus to another country
- Investing in new opportunities in new jurisdictions
- Prepare for changes in the tax and economic climate
- Disputes with tax authorities
- The arrival of a new generation brings issues relevant to wealth preservation and the transmission of wealth to future generations

**SOLUTION**

Deloitte helps individuals to understand, plan and execute effective tax strategies across borders.

- Dedicated global network of subject matter specialists
- Tailored solutions to meet individuals and family needs

**CLIENT CASE**

**Client:** US citizen resident in Switzerland, with diverse equity holdings, largely in a pre-IPO structure, in an second European location.

**Challenge:** To ensure the lowest global effective tax rate as well as avoiding any negative tax traps and associated penalties.

**Solution:** Careful co-ordination by three country tax specialists to identify a beneficial cross-border characterisation of income/gains, timing of tax points and credits.

**Outcome/impact:** The resulting structure provided the client with certainty of tax treatment, a reasonable fiscal cost and security against any tax traps.

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