

2018 global business traveler compliance trends survey

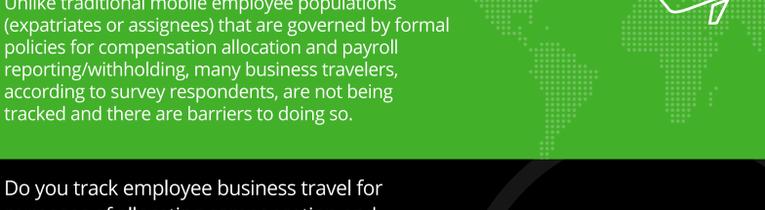
Business travel continues to gain altitude

Whether visiting suppliers or customers, working on projects, or attending meetings, the majority of survey respondents report their employees are traveling for business in increasing numbers and for varying amounts of time.

Do your employees travel between tax jurisdictions (e.g. across state borders, between different localities) for work?



What percentage of time might an average employee spend working in a tax jurisdiction other than their resident/home (i.e., outside their home location)?



Many employees' travel is not being tracked

Unlike traditional mobile employee populations (expatriates or assignees) that are governed by formal policies for compensation allocation and payroll reporting/withholding, many business travelers, according to survey respondents, are not being tracked and there are barriers to doing so.

Do you track employee business travel for purposes of allocating compensation and operating payroll reporting and withholding?



If you do not track employee travel, what is the largest impediment to doing so?



If you allocate compensation based on business travel, what is the most common issue you face?



Can data get them back on course?

Data may impact a viable approach to business traveler management and tax compliance, but it remains a missing part of the map for many companies.

If you do have a method to track employee travel, what components of the process are automated for purposes of allocating compensation and operating payroll reporting and withholding? Select all that apply.



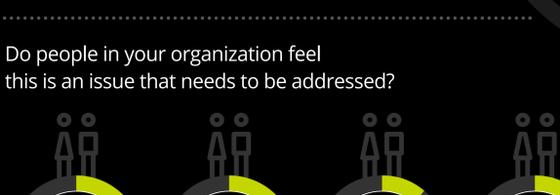
Do you have access to the data to make good decisions/necessary insights?



The potential for turbulence: Compliance risk

The costs of cross-border employee business travel tax noncompliance can be varied, significant, and increasing—specifically for tax audit activity. And while many survey respondents indicated they are aware of their reporting and withholding responsibilities, few are prioritizing action against this issue.

Are you aware of the trailing state income reporting/tax withholding obligations associated with nonresident business travelers, specifically as it relates to deferred compensation and stock compensation?



Do people in your organization feel this is an issue that needs to be addressed?



How would you gauge your company's overall compliance with nonresident business traveler payroll reporting and withholding?



Do you feel you are addressing business travel in an effective way?



What is the philosophy of your company with respect to nonresident tax liabilities on all elements of compensation arising from business travel?



Are you utilizing a company threshold for triggering nonresident payroll reporting? If so, how many days?



Why aren't businesses prioritizing a course correction?

A variety of business and organizational issues may stand in their way.

What are the most limiting factors to addressing the challenges with business travelers?



Reaching the final destination

Companies should better understand the potential risks in today's business traveler compliance landscape. Making it more of an organizational priority—and taking proactive steps to manage the process—may help them get ahead and stay ahead of the business risks and potential consequences.

To learn more about the survey findings and the issues it addresses, please contact your Deloitte representative or email our Global Rewards team at globalrewards@deloitte.com.

About the survey

- Conducted during May and June 2018
- 278 respondents employed by companies globally across various industries
- Functions/roles of respondents span accounting, finance, HR, legal, and tax
- Job titles of respondents include stock, payroll, benefits, compensation, or mobility

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