



GMS Flash Alert



Flash Alert

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Flash Alerts

Australia	<p>From November, Changes Planned for Temporary Activity Visa Framework</p> <p>Australia's Department of Immigration and Border Protection (DIBP) has proposed changes to the Temporary Activity visa system that will entail a simplification of the current temporary visa framework. The proposals include the collapsing of six existing sponsor classes into one sponsor category, removing some sponsorship and nomination requirements for specific 'short stay' activities, and introducing the ability to lodge applications online.</p>
Australia	<p>Reduced Departure Timeframe for 457 Holders Once Employment Ends</p> <p>According to Australia's Department of Immigration and Border Protection, a new policy mandates that all primary 457 visa holders who are granted their visas on or after November 19, 2016 will have 60 days to depart Australia or apply to remain upon</p>

	<p>the cessation of employment with their sponsoring employer. This has been reduced from the 90 days afforded to existing primary 457 visa holders.</p>
Canada	<p><u><i>Immigration Authority Extends eTA Leniency Period to November 9, 2016</i></u> Immigration, Refugee, and Citizenship Canada (“IRCC”) recently announced that the “leniency period” for the electronic Travel Authorization (“eTA”) requirement is extended until November 9, 2016. Visa-exempt foreign nationals – other than U.S. citizens – are required to obtain an eTA to enter, or transit through, Canada by air. The extension of the “leniency period” allows travelers more time to take necessary steps to apply for and obtain an eTA prior to their travels to Canada.</p>
Canada	<p><u><i>Plans to Alter Exemption Rules for Capital Gains on Principal Residence</i></u> Canada’s Finance Department, on October 3, 2016, issued an announcement stating that, beginning with 2016, individuals will be required to report the disposition of a property for which they claim the principal residence exemption in their income tax returns (previously, individuals did not have to report the capital gain if the full gain was exempt). Finance has proposed amendments such that an individual who was not resident in Canada in the year the individual acquired a residence will not be able to claim the exemption for that year.</p>
France	<p><u><i>Withholding Tax on Professional Income ‘Bientôt’</i></u> If certain measures contained in draft legislation are approved in their current form, then, effective January 1, 2018, French employers will be required to withhold personal income tax from the salary paid to employees each month. The</p>

	<p>tax authorities will determine the tax withholding rate in the second half of 2017 based on the 2016 tax returns submitted in May 2017, and communicate the rate to the employee and employer. As of January 1, 2018, employers will deduct the withholding tax and pay the tax directly to the tax authorities.</p>
Netherlands	<p><u>2017 Budget Measures Impact Foreign Employers, Supervisory Directors</u></p> <p>The Dutch Cabinet presented the package of measures for the 2017 Tax Plan to Parliament’s Lower House on Budget Day, September 20, 2016. In this newsletter, we highlight some of the important changes proposed affecting employers, including proposals for payroll tax and social security contributions, and employment relationships concerning supervisory directors.</p>
Netherlands	<p><u>Tax Rate, Credit Changes for Individuals in 2017 Budget</u></p> <p>In this newsletter we report on the increase, as of January 1, 2017, in the Dutch tax rate in the second and third payroll tax and personal income tax brackets by 0.40 percent to 40.80 percent. Also, the general tax credit and the labor tax credit will be increased. Furthermore, foreign taxpayers will also be able to take a basic allowance into account in Box 3. These and other measures were proposed in the recently-announced Dutch Budget for 2017.</p>
New Zealand	<p><u>Updates to Proposals for Taxing Employee Share Schemes</u></p> <p>Inland Revenue has been consulting on updates to proposals to change the taxation treatment of employee share scheme (“ESS”) benefits in New Zealand. This newsletter highlights some of the</p>

	<p>important updates, among which, is a confirmation that ESS benefits, which depend on continued employment, should be taxed once that employment has occurred. The updated proposals also propose applying the same timing and valuation rule where a deduction is currently allowed for ESS benefits.</p>
New Zealand	<p><u>Key Residence Programme Undergoes Changes Starting October 12</u></p> <p>Changes were recently announced regarding the New Zealand Residence Programme (NZRP) for the next two years in response to increasingly high demand for New Zealand residence visas. Among the changes: (1) From October 12, 2016, only applicants submitting an Expression of Interest with 160 points or more will be selected (and there is no longer a concession for individuals who are currently employed in New Zealand or have a job offer); and (2) Skilled Migrant Category applicants will have to demonstrate that they meet the English language requirements, which will require applicants to undertake formal tests.</p>
New Zealand	<p><u>New Employee Share Scheme Obligations Coming</u></p> <p>From April 1, 2017, in New Zealand, employers will have the ability to elect to withhold tax on ESS benefits on behalf of their employees. Employers will also need to report ESS benefits, regardless of whether or not they have withheld any tax. Any ESS benefit that vests or is exercised on or after April 1, 2017, will be captured by the new mandatory disclosure requirements (and optional PAYE withholding mechanism).</p>

People's Republic of China	<p><u><i>For Guangdong, New Policies Facilitating Exit and Entry</i></u></p> <p>Detailed rules pertaining to the so-called "Sixteen Policies" were issued on August 10, 2016, by the Guangdong Public Security department in the People's Republic of China ("China"). Guangdong's Sixteen Policies streamline and simplify visa application procedures, and thereby cut-back some of the red tape and delays concerning entry in and exit from Guangdong, the most populous province in China and one of the most economically successful.</p>
Spain	<p><u><i>New Rules End Need for Employers to Keep Books of Visits</i></u></p> <p>In Spain, a new Order has eliminated the need to keep a visitors book at each workplace (Libro de Visitas de la Inspección de Trabajo y Seguridad Social). Employers were required to keep these books for records of inspections and visits by the labor and social security inspectors who record their findings therein. The new Order provides for the elimination of the book of visits, both in physical form and electronic format.</p>
United Kingdom	<p><u><i>New Online Applications, Passport Service for EEA/Swiss Nationals</i></u></p> <p>Following the U.K.'s vote to leave the European Union (EU) in June 2016, the U.K. government has improved the application processes for many EU nationals who wish to regularise their stay in the U.K., making online application forms available to them, as well as introducing a passport return service. A new online application process for partners of British nationals or those settled in the U.K. who wish to remain in the U.K. has also been launched.</p>

United States	<p><u>IRS Reminds Taxpayers of Need to Renew Expiring ITINs</u></p> <p>On October 6, 2016, the U.S. Internal Revenue Service (IRS) issued a release to remind taxpayers affected by changes involving the individual taxpayer identification number (ITIN) program that they can now begin submitting their ITIN renewal applications to the IRS. Taxpayers with ITINs that have not been used on a federal income tax return in the last three years will not be able to file a return unless their ITINs are renewed.</p>
United States	<p><u>Immigration Authorities Announce Fee Increases</u></p> <p>Effective December 23, 2016, U.S. Citizenship and Immigration Services will be amending its fee schedule for immigration and naturalization benefit requests. According to the final rule published in the Federal Register on October 24, 2016, fees will increase for the first time in six years by a weighted average of 21 percent for most applications and petitions.</p>

Other Publications & Communications	
United States	<p><u>"Is the free lunch really free? Tax issues when providing employee meals"</u></p> <p>From the GMS Compensation & Benefits group.</p>
United States	<p>KPMG's <u>2017 Personal Tax Planning Guide</u></p> <p>Prepared by tax professionals from KPMG's Washington National Tax office, the guide features valuable information about the current tax laws while providing corresponding planning tips for your 2016 year-end tax</p>



	<p>planning. It includes chapters on individual tax planning, investment-related tax issues, family matters, and retirement planning. The guide also includes the newly passed and imminent tax changes impacting higher-income taxpayers concerning retirement planning and proposed regulations on the valuation of interests in family-controlled entities for transfer tax purposes.</p>
United States	<p><u>New Jersey to End Tax Reciprocity with Pennsylvania</u> in Payroll Insights (October 2016) This edition features an article about New Jersey ending tax reciprocity with Pennsylvania.</p>

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