



Flash Alert

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Flash Alerts	
Australia	<p><u>Proposals for Early Release of Superannuation Benefits in Hardship Situations</u></p> <p>“Further consultation and draft proposals paper” (“the paper”) looks at widening access to early release of superannuation. It was released by Australia’s Treasury for public comment, with submissions due by February 15, 2019. This paper manifests Treasury’s continuing review of the framework for the early release of superannuation benefits on compassionate and severe financial hardship grounds.</p>
Australia	<p><u>ATO Updates Guidance on Leave Loading and Superannuation Guarantee</u></p> <p>As part of their preparations for entry into Australia’s Single Touch Payroll, many organizations have taken a proactive approach in revisiting their payroll system configurations for superannuation and PAYG withholding. As part of these reviews, many have identified that the superannuation configuration for “leave loading” needs to be adjusted. In an interesting development, the Australian Taxation Office (ATO) recently updated guidance on the base for superannuation guarantee contributions (i.e., ordinary time earnings).</p>
Austria	<p><u>National Assembly Passes Law Concerning U.K. Nationals if No-Deal</u></p>

	<p><u>Brexit</u></p> <p>On February 27, the Austrian National Assembly approved a law including special rules regarding the treatment of U.K. citizens residing in Austria in the event of a “no-deal Brexit.” The law aims to address the rights and opportunities that concern U.K. citizens as well as their third-country family members residing in Austria, and provide for a “transition period” that would start on March 30, 2019, during which these individuals could avail themselves of these rights and opportunities.</p>
Belgium	<p><u>Parliament Approves New Reporting, Withholding Obligations</u></p> <p>Belgium's parliament approved in plenary session a law organizing the introduction of a reporting and withholding tax obligation for all Belgian employers with respect to remuneration paid to or granted to their employees by a foreign parent company or affiliate. The reporting obligation and the withholding tax obligation is for income paid or attributed as from March 1, 2019. There is a transitional regime for the period between January 1, 2019 and February 28, 2019.</p>
Colombia	<p><u>Tax Reform with Measures Impacting Individuals</u></p> <p>In this GMS <i>Flash Alert</i>, we focus on the measures impacting individuals introduced by law 1943 of December 28, 2018 (known as “Financing Law”). These include the basket system of taxation, new tax rates and thresholds, wealth tax returns, and the tax treatment of severance payments, dividends, and voluntary contributions to pension funds.</p>
Costa Rica	<p><u>Update on Tax Reform and Changes to Tax Residency</u></p> <p>The Costa Rican legislature recently approved a tax reform law, with many important changes affecting the country's systems of direct and indirect taxation. We cover, in this GMS <i>Flash Alert</i>, several of the measures affecting individuals in the Law for the Strengthening of Public Finances, Law number 9635, including, changes to income tax rates and thresholds, permanent establishment, withholding, the tax treatment of sales of real estate by non-domiciliaries, and tax amnesty. We also report on recent developments regarding residency.</p>
Croatia	<p><u>More Reductions in Personal Income Tax, Social Security Burdens</u></p> <p>In this GMS <i>Flash Alert</i>, we highlight recent changes to Croatia's personal income tax</p>

	<p>and social security systems, with a focus on the modified tax brackets, new rules for the tax treatment of voluntary pension fund and life insurance fund income, the streamlined tax treatment of stock awards and stock option plans, and changes to the social security system, amongst other amendments.</p>
European Union	<p><u>Important Ruling for Third-Country Nationals by European Court</u></p> <p>The European Court of Justice has ruled on the position of third-country nationals and social security coverage under European Union (EU) Regulations during their temporary stay and work in the EU. The Court's ruling helps to ensure that third-country nationals with temporary legal stays and work in EU territory can claim the rights and protections under EU Regulations for social security and thereby be covered by social security in only one country at a time and be subject to only one country's social security charges.</p>
France	<p><u>New Action by Government to Define Rules if No-Deal Brexit</u></p> <p>On February 6, 2019, the French government published an order to implement new measures relating to entry, residence, social rights, and professional activities of/by U.K. nationals in France at the time of a no-deal Brexit (should that occur) and those who enter France subsequently. This order shall enter into force on the date of the withdrawal of the United Kingdom from the European Union in case of a no-deal Brexit.</p>
India	<p><u>Interim Budget Sprinkled with Measures Benefiting Middle-Income Taxpayers</u></p> <p>On February 1, 2018, India's Finance Minister presented the Interim Union Budget 2019 with a nod to the general elections, which are scheduled later this year. The Interim Union Budget 2019 aims to provide benefits to lower-income to middle-income taxpayers, with changes to the personal income tax rebate, standard deduction, capital gains taxation on sales of residential homes, and the threshold for deducting at source on interest-earning deposits at banking institutions.</p>
Ireland	<p><u>31 March Deadline for Reporting Employee Share Schemes</u></p> <p>This report covers Ireland's important mandatory due date for the filing of returns of information for employee share participation schemes for 2018. Failure to comply with this</p>

	mandatory filing obligation can result in a penalty and other sanctions.
Malaysia	<p><u>Various Immigration Administrative and Application Updates</u></p> <p>There have been several immigration-related changes in Peninsular Malaysia in recent months that global mobility professionals charged with the immigration affairs of their assignees and immigration counsel should be aware of, including changes to applications for Employment Pass and Professional Visit Pass, eVisa, and MYXpats. These changes should result in more prompt and timely endorsement of approved work permit or visa applications.</p>
Singapore	<p><u>Revised Basis for Computing Taxable Car Benefits, Effective from 2020</u></p> <p>In December, the Inland Revenue Authority of Singapore announced a new formula for calculating taxable car benefits, effective from year of assessment 2020. The new formula requires employers to track actual expenses and maintain supporting receipts relating to each employee, which may increase the administrative burden for some employers.</p>
Singapore	<p><u>Budget 2019 Contains Measures on NOR Status, Income Tax Rebate</u></p> <p>In his recent 2019 Budget Statement, the finance minister for Singapore announced key changes to personal tax for the income tax rebate for year of assessment 2019 and the withdrawal of the Not Ordinarily Resident scheme, as well as a reduction in the foreign workforce quota for the services sector.</p>
Switzerland	<p><u>“Mind the Gap” Social Security Strategy in Light of Brexit</u></p> <p>As part of the Swiss government's “Mind the Gap” strategy, Switzerland and the United Kingdom have signed an agreement covering citizens' rights that would apply once the U.K. withdraws from the European Union (EU). In the field of social security, the U.K.-Swiss agreement aims to avoid as far as possible changes for persons currently covered by the Agreement on the Free Movement of People (FMOPA) and to protect the rights acquired under it.</p>
United Kingdom	<p><u>Scottish Parliament Passes Rate Resolution for 2019/20</u></p> <p>On February 19, 2019, the Scottish parliament set the income tax rates and bands that will apply to relevant income of</p>

	<p>Scottish taxpayers for 2019/20. There will be no changes to the Scottish rates of income tax. The thresholds at which the basic and intermediate rates of income tax apply will rise in line with inflation, but the higher- and top-rate thresholds will be frozen. In addition, From April 6, 2019, an individual who cannot establish a ‘close connection’ with any part of the U.K. (i.e., England, Northern Ireland, Scotland, or Wales) based on his or her place of residence will be a ‘Scottish taxpayer’ if he or she spends more days in Scotland than in each of England, Northern Ireland, and Wales.</p>
United States	<p>DHS Finalizes H-1B Cap Regulation The Department of Homeland Security (DHS) has now finalized a rule – it is published in the Federal Register – which reverses the order by which U.S. Citizenship and Immigration Services (USCIS) selects H-1B petitions under the H-1B regular cap and the advanced degree exemption. In addition, following consideration of public comments received, DHS has elected to postpone implementation of the electronic registration requirement for petitioners seeking to file H-1B cap-subject petitions.</p>
United States	<p>Premium Processing Resumes for FY 2019 H-1B Cap Petitions The U.S. Citizenship and Immigration Services (USCIS) resumed premium processing services for pending FY 2019 H-1B cap cases on January 28, 2019. This service was suspended for FY 2019 H-1B cap cases starting April 2, 2018. However, for many categories of H-1B petitions, the previously-announced temporary suspension of premium processing remains in effect.</p>
United States	<p>Revised Form to Apply for Extension/Change of Nonimmigrant Status The U.S. Citizenship and Immigration Services (USCIS) has revised form I-539, Application to Extend/Change Nonimmigrant Status. USCIS will publish the new form on March 11, 2019. Also, effective March 11, 2019, a new form, Form I-539A, must be completed for each individual co-applicant. An additional \$85 biometrics fee will be charged per I-539 applicant and I-539A co-applicant. This fee is in addition to the \$370 Form I-539 application filing fee.</p>

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<p>United States</p>	<p>GMS Video – In this new video, “<u>Focus on Brazil-U.S. Social Security</u>, members of the KPMG Washington National Tax office examine the details of the Brazil-U.S. social security agreement and the impact of the agreement on the transfer of workers between the two countries.</p>
<p>United States – Mobility Consulting Services</p>	<p>KPMG GMS (U.S.) professional Glen Collins has authored an article, “<u>5 Things Employers Should Know About Supporting Employee Mobility Globally</u>.” The article, published on ADP’s “Spark Blog,” is based on KPMG’s 2018 Global Assignment Policies and Practices (GAPP) survey.</p>

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