

Assignments to Europe

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Editorial

In times of globalization, the importance of international employee deployment is growing. As a global company, you are therefore faced with the ever increasing complexity of managing your expatriates' cross-border taxation, social security, legal and immigration-related matters. The legal regulations in these fields are not only subject to constant change but they are also becoming more and more complex when applied in different jurisdictions at the same time. Incorrect decisions can be both difficult and costly to rectify.

At WTS Global, we can help you identify cross-border work related risks at an early stage and optimize tax and cross-border work-related risks at an early stage and optimize tax and social security payments for you and your employees while keeping the administrative burden to a minimum. Our expertise helps you strategically plan and manage your intercompany assignment cost and compliance. Our Global Expatriate Services specialists guide you smoothly through the planning, structuring and implementation of any cross-border work (e.g. assignments, remote work, foreign local hires). Jointly with our international network, WTS Global can assist you in more than 100 locations worldwide. We provide local expertise from international professionals wherever you are.

This booklet offers you a brief overview of tax, social security and immigration-related matters you might consider for your cross-border work to and from Europe.

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Austria

Personal Income Tax

- › Individual's taxes depend on their residential status as well as on their total income earned.
- › Austria has a progressive tax system, which means that the rates range between 20% to 55% depending on the total yearly income.
- › Profits gained from capital invested are taxed at a rate of 27.5% and gains from real estate sales at 30%.
- › The tax period is the calendar year.
- › The annual income return must be filed electronically the year following the taxable period until 30 June. The deadline can be extended to 31 March of the second following year after the tax period with the assistance of a tax advisor.
- › Salaries in Austria are usually paid in 14 instalments, including the 13th salary as the holiday allowance and a 14th salary as a Christmas bonus. These two last named special salaries are taxed at a rate of 6% whereas the regular employment income is subject to progressive rates.

Social Security

Social security contributions are mandatory and generally all employees working in Austria have access to the benefits of the social system. The contribution depends on the employee's monthly income. The employer is responsible for withholding and paying the contribution.

EMPLOYEE

- › Up to a monthly ceiling of € 6,450 (for 2025), which is adjusted annually, an employee's contribution is deducted for health (3.87%), pension (10.25%) and unemployment insurance (2.95%) as well as Chamber of Labour levy (0.5%) and contribution to public housing funds (0.5%).

EMPLOYER

- › Employers are responsible for paying contributions to health (3.78%), pensions (12.55%), unemployment (2.95%) and work accidents (1.1%) insurance and furthermore contributions to housing funds (0.5%) and insolvency insurance (0.1%) up to a monthly income ceiling of € 6,450 (for 2025, adjusted annually).

- › Furthermore, the employer has to pay the following duties: employee pension fund, employer contribution to the family equalisation fund, municipal taxes and employer contribution surcharge.

Immigration

VISA

- › Generally, any foreign citizen who wants to work as an employee in Austria must apply for a visa.
- › This rule does not apply to citizens of the European Union, the European Economic Area (EEA) and Switzerland. In these cases a visa is not mandatory.

WORK PERMIT

- › Third country citizens (other than EU/EEA/Switzerland) must apply for a combined residence and work permit, the so-called "Red White Red Card".

REGISTRATION

- › All foreigners must register at their local registration office within a certain period.

Employer's Obligations

START OF EMPLOYMENT

- › A correct residence and work permit for the employee is mandatory in case of non-EU/EEA citizenship.
- › The employee must be registered at the social security office before he/she starts working for an Austrian company (if subject to the Austrian social security system).

DURING EMPLOYMENT

- › Wage tax must be withheld on a monthly basis and paid to the tax office by the 15th of the following month.
- › Same goes for the social security contributions which must also be paid and declared by the 15th of the following month to the competent social security authority.
- › A payroll account must be kept for every employee.
- › An annual wage tax certificate, the so-called "Lohnzettel" must be filed by the end of February of the following year.

TERMINATION OF EMPLOYMENT

- › The work permit must be cancelled.
- › The employee must be de-registered from the social security authority.
- › A final wage tax certificate must be filed.



Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	24,61%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	19,84%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
55%	55%	55%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	18,07%
Employer	20,98%

Social Security Agreements (SSA)

Albania
Australia
Bosnia and Herzegovina
Chile
Denmark
India
Israel
Serbia
Türkiye
USA and more

¹ Excluding fringe benefits such as housing.



Personal Income Tax

- › Individuals whose domicile or seat of wealth is located in Belgium are considered tax residents and are taxable on their worldwide income, while non-residents are only liable to tax on their Belgian source income.
- › Belgium has a special expat tax regime for incoming taxpayers and researchers. Provided that a number of conditions are fulfilled, the individual can receive certain allowances free from tax and employer/employee social security contributions.
- › The general tax rates are progressive and range from 25% to 50%. The income tax calculated according to these tax rates is increased by a municipal surcharge (which varies from 0% to 9% for Belgian residents and is set at 7% for non-residents).
- › The taxpayer may be entitled to a basic tax-free amount of € 10.910 (income year 2025). This basic tax-free amount is increased when the taxpayer has children for whom they are responsible.
- › The tax year runs from 1 January to 31 December.
- › The filing deadline for the annual income tax return is the year following the income year. The following deadlines generally apply:
 - › For residents, the deadline is 30 June (paper filing) or 15 July (electronic filing). However, if the tax return is considered a so-called "complex" tax return, the deadline is 16 October (a tax return is considered complex if certain types of income are reported, such as foreign employment income, company director's income and income from self-employed activities).
 - › Non-residents: the deadline is usually at the end of November.
- › Employment income is in principle subject to wage withholding tax at source to be withheld by the employer. This wage withholding tax is an advance payment which is credited against the final tax liability.
- › Income may be exempt based on double tax treaties. Belgium applies the exemption with progression method (for Belgian tax residents), which means that tax-exempt income is taken into account to determine the progressive tax rates applicable to the income that is taxable in Belgium.

Social Security

Unless provided otherwise by an international agreement or EU Regulation 883/2004, employees working in Belgium are generally subject to the Belgian social security scheme for employees. An exception may apply if the employee is seconded to Belgium, in which case the employee remains covered by the social security system of his home country upon application, provided that the secondment does not exceed a certain duration (up to 5 years in certain cases).

Under the Belgian social security scheme, both employees and employers must pay contributions to the National Social Security Office ("RSZ – ONSS").

EMPLOYEE

- › The employee's contributions are fixed at 13.07%, are computed on the gross remuneration and are deductible for individual income tax purposes. These contributions cover pensions (7.5%), health insurance (3.55%), sick leave payments (1.15%) and unemployment (0.87%).

EMPLOYER

- › The basic rate of employer social security contributions is approximately 25%. For certain sectors, different rates apply. On top of this basic rate, some other specific contributions apply, such as, for instance, a contribution to the fund for closure of undertakings (up to 0.17% depending on the kind of undertaking and the number of employees) and a specific contribution of 1.6% if the employer employs at least 10 employees. Moreover, extraordinary social security contributions (linked to the joint committee to which the employer belongs) may also be due.
- › The employer must take up an insurance for occupational accidents with a private insurer.

Immigration

VISA

- › The visa requirements depend on the nationality of the employee and the duration of their stay.
- › Nationals of a member state of the European Economic Area ("EEA nationals") are allowed to stay

in Belgium for a maximum of 3 months without a residence permit, provided they declare their presence at the town hall of the local district in which they are staying within 10 working days following the day of their arrival in Belgium. This obligation does not apply for employees who stay at a hotel or Airbnb.

- › EEA nationals who stay for more than 3 months in Belgium must register their presence at the town hall of the local district in which they are staying. To be able to register their presence in Belgium, the individuals must demonstrate their employed activity in Belgium or be able to demonstrate that they have sufficient means of existence and medical insurance covering all risks during their stay in Belgium.
- › Non-EEA nationals must, in principle, obtain a residence permit prior to being posted to Belgium. If their posting does not exceed 90 days, they must apply for a Schengen visa (short-stay type). Some exceptions exist depending on the nationality of the posted employee and the passport type.
- › Non-EEA nationals who are posted for more than 90 days must be in possession of a single permit, i.e. a permit that combines an authorization to work and a long-term residence permit into a single application procedure. A single permit application can take several months.

WORK PERMIT

- › The obligation to obtain a work permit depends on the nationality of the employee.
- › EEA nationals are exempt from the requirement to obtain a work permit.
- › Non-EEA nationals must, in principle, obtain a work permit prior to being posted to Belgium. The employer of a non-EEA national whose posting does not exceed 90 days must apply in advance for a so-called 'type B' work permit that allows the posted employee to perform any professional activity in Belgium.
- › The employer of a non-EEA national whose posting exceeds 90 days must apply in advance for a so-called single permit, i.e. a permit that combines an authorization to work and a long-term residence permit.

REGISTRATION

- › All foreigners must register at the local municipality of the place of residence (inscription in the register of foreign nationals).

Employer's Obligations

START OF EMPLOYMENT

- › If applicable, obtain the necessary employment authorization and ensure that the employee has a proper visa, work permit and residence permit if necessary.
- › Declare the entering into service and the departure of its employees subject to Belgian social security to the Belgian social security office (Dimona declaration).
- › In case the employee remains subject to social security in their home state, a certificate of coverage or A1-certificate must be issued as proof.
- › Moreover, in case the employee is not subject to Belgian social security, a "LIMOSA" declaration must be filed with the Belgian social security office prior to the start of activities.

DURING EMPLOYMENT

- › Wage withholding tax may have to be withheld each month by the employer (subject to the application of the double tax treaties).
- › Foreign entities are subject to the obligation to withhold wage withholding tax if they have a Belgian establishment.
- › In addition, the Belgian group entity must also withhold wage withholding tax if (taxable) benefits or salary are granted by a foreign group company to employees working in Belgium for the benefit of the Belgian group entity.
- › Also, employee social security contributions are to be withheld on the monthly salary payment. The employer must pay the employer contributions and the deducted employee contributions to the National Social Security Office on a quarterly basis (DmfA-declaration).
- › Allocate the employees remuneration in taxable and non-taxable portions. Some specific types of income or benefits may be tax-free.
- › Submit the annual Belgian tax slips reporting the remuneration.

TERMINATION OF EMPLOYMENT

- › Prepare and submit a final tax slip for the year of termination.
- › Employees subject to Belgian social security, must complete the Dimona-out declaration.



¹ The given rates assume that a communal surcharge of 7,5% apply and are calculated after deduction of Belgian employee social security contributions. For non-residents, the given average tax rates are furthermore based on the assumption that the tax benefits such as the basic tax-free amount, children for whom they are responsible and the marital quotient are applicable. In general, this is the case if the employee earns at least 75% of their professional income in Belgium.

² Note that given tax rates are excl. the communal surcharges 0% to 9% for Belgian residents and 7% for non-resients).

³ Excluding fringe benefits such as housing.

Comparisons

Taxation of Fringe Benefits

Housing	C
Home flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax rates

Single, no children	40,12%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married and spouse has no income, 2 children	31,00%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years²

2023	2024	2025
50%	50%	50%

Social Security Rates

Employment Gross Income ³ 100,000 EUR p.a.	
Employee	13,07%
Employer	25%

Social Security Agreements (SSA)

Australia
USA
Canada
Brazil
DR Congo
India
Japan
Morocco
Türkiye
and more

Bulgaria

Personal Income Tax

- › Individuals are taxed on income depending on source/residency status.
- › The tax rate is flat and is 10% (except for dividends and liquidation proceeds, which is 5%)
- › The tax year is the calendar year.
- › The annual personal income tax return is filed until 30 April of the year following the tax year.
- › The employment income is subject to tax in advance, i.e. the personal income tax is withheld and paid on a monthly payroll basis by the employer/ economic employer.

Social Security

As a rule, all persons who work under an employment contract are subject to social security for all social security risks. The social security contributions are determined and paid on the basis of the accrued monthly gross employment income. The maximum social security income determined in the Social Security Budget Act for the period April – December 2025 is BGN 4,130.

EMPLOYEE

- › Most social security contributions (with certain exceptions) are distributed between the employer and the employee in the ratio 60%/40%.
- › An employee is required to pay contributions to the pensions fund (6.58% for individuals born after 31 December 1959, and 8.78% for the individuals born before 1 January 1960), supplementary compulsory pension contribution (2.2% for individuals born before 31 December 1959), unemployment (0.4%), "General sickness and maternity" fund (1.4%), and health insurance (3.2%).

EMPLOYER

- › An employer is required to pay social security contributions to the pensions fund (8.22% for individuals born after 31 December 1959 and 11.02% for individuals born before 1 January 1960), supplementary compulsory pension contribution (2.8% for individuals born after 31 December 1959), unemployment (0.6%), "General sickness and maternity" fund (2.1%), and health (4.8%).
- › Accident at work and occupational disease contri-

butions are borne by the employer (0.4%- 1.1%). The exact percentage is determined based on the business activities sector of the employer.

- › The employer is liable for the social security contributions on a monthly (i.e. payroll) basis.

Immigration

VISA

- › As a rule, any foreigner who wants to work as an employee in Bulgaria and for that purpose has obtained a work permit from the competent Bulgarian authorities, must also on that basis obtain a visa type "D" to enter Bulgaria.
- › Exceptions apply to all EU and European Economic Area (EEA) citizens and to Swiss (CH) nationals.

WORK PERMIT

- › Third-country nationals (i.e. an individual who is other than EU/EEA/CH national) are allowed to work in Bulgaria if they apply for and obtain a work permit from the Director of the Bulgarian employment agency.
- › The work permit application together with all required documents is filed by the Bulgarian employer and is issued within 30 days as of submission of the application form. A less burdensome and more expedite procedure is applicable under certain conditions (i.e. EU Blue Card, postings, intra-corporate transfers).

REGISTRATION

- › Upon arrival in Bulgaria, the foreign individual is obliged to register at the local office of the Migration Directorate at the Bulgarian Ministry of Interior.
- › Certain information about posted employees is submitted by the Bulgarian company receiving the posted personnel with the Bulgarian employment agency.

Employer's Obligations

START OF EMPLOYMENT

- › Apply for and obtain a work permit for the particular employee based on which the foreign employee could obtain a visa for entering the country, and the respective residence permit in Bulgaria.

- › Register the individual with the local tax office by issuing of a tax identification number.
- › Notify the local competent tax office about the concluded employment agreement.

DURING EMPLOYMENT

- › Withhold and pay personal income tax on the employment income on a monthly (i.e. payroll) basis.
- › Withhold and pay monthly social security contributions for the employee through the payroll.
- › Prepare and submit monthly reporting documents (i.e. template returns) on the personal income tax and social security withheld and paid for the employee.

TERMINATION OF EMPLOYMENT

- › Notify the Bulgarian employment agency upon termination of the employment agreement.
- › Notify the local tax office of the termination of the employment agreement.
- › Prepare and provide the employee with a certificate on the income tax and social security contributions paid and withheld for the respective work period within the calendar year.



Comparisons

Taxation of Fringe Benefits

Housing	B,A (in case of posting)
Home Flights	A (in case of posting)
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates (Zagreb)

Single, no children	10%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	10%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
10%	10%	10%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	13,78% ²
Employer	18,92–19,62% ³

Social Security Agreements (SSA)

Azerbaijan, Brazil, Canada, Israel, Moldova, Montenegro, Quebec, Republic of Korea, Russian Federation, Serbia, Tunisia

¹ Excluding fringe benefits such as housing.
² Social security is deducted on income up to the maximum monthly social security threshold of BGN 4,130 (€ 2.111) for April – December 2025. Any income exceeding the maximum monthly threshold is exempt from social security.
³ The exact percentage depends on the accident at work and occupational illness contributions which vary depending on the employer's business activity. Social security is deducted on income up to the maximum monthly social security threshold of BGN 4,130 (€2.111) for April – December 2025. Any income exceeding the maximum monthly threshold is exempt from social security.



Croatia

Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › Tax rates are progressive; in Zagreb the rates are 23% (for the tax base up to EUR 5.000) and 33% (for the tax base over EUR 5.000)
- › Personal allowance is EUR 600, with additional allowances available if the taxpayer supports qualifying family members.
- › The tax year is the calendar year.
- › Employment income is subject to a monthly withholding tax.

Social Security

Social security contributions generally apply to all employees working in Croatia. The base for contribution calculation is the monthly employment income.

EMPLOYEE

Social security contributions with respect to employment income that are withheld from the gross salary (employee's burden) are as follows:

- › 15% state pension fund contributions;
- › 5% individual capitalised pension fund contributions.

EMPLOYER

Social security contributions paid by the employer as an addition to the gross salary:

- › 16,5 % basic health insurance contribution.

The employer is liable for all payments on a monthly basis. The employer contributions are not subject to taxation.

Immigration

VISA

- › As a rule, any foreigner who wants to work as an employee in Croatia must first obtain a visa to enter Croatia.
- › Exceptions apply to all EU and European Economic Area (EEA) citizens and to Swiss (CH) nationals.
- › Starting with 1 January 2021, Croatia introduced visas for "digital nomads" i.e. citizens outside EU who perform their work activities by using ICT for

employers (companies, including their own) with a registered headquarters outside of Croatia. Visas for digital nomads are granted for a period of one year.

WORK PERMIT

- › To be allowed to work in Croatia, third-country nationals (means: other than EU/EEA/CH nationals) must apply for a work and residence permit from the Croatian consulate abroad or at the foreigner's registration office in Croatia.rs).

REGISTRATION

- › Upon arrival in Croatia, all foreigners must register at their local registration office at the Ministry of Internal Affairs within a specific period of time. Croatian tax number (OIB) will be issued upon registration.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain correct work permit type for the employee (if applicable).
- › Register the employee for social security purposes with the competent social security authority.

DURING EMPLOYMENT

- › Withhold wage tax each month (meaning any contractual or economic employer whose registered headquarters is located in Croatia).
- › Withhold social security contributions each month for the employee if the employee is not subject to social security in another country.
- › Allocate the employee's remuneration in taxable and non-taxable portions.

TERMINATION OF EMPLOYMENT

- › Cancel the work permit for the employee (if applicable).



Comparisons

Taxation of Fringe Benefits	
Housing	C
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates (Zagreb)	
Single, no children	24,62%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	21,77%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years		
2023	2024	2025
30%	35,4%	33%

Social Security Rates	
Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	20%
Employer	16,5%

Social Security Agreements (SSA)	
Australia	
Canada (Quebec)	
Montenegro	
Serbia	
Türkiye	
Korea	
Bosnia and Herzegovina	
North Macedonia	
Albania	

¹ Excluding fringe benefits such as housing.



Cyprus

Personal Income Tax

TAX RESIDENCY
Applicable Income Tax Rates for expats (2025)

- 183-Day Rule: An individual is considered tax resident if present in Cyprus for more than 183 days in a calendar year. All days are counted, including the day of arrival and departure, days in transit, and weekends/holidays.
- 60-Day Rule: An individual not tax resident elsewhere during the year, present in Cyprus at least 60 days, conducting business/employment or holding an office in a Cyprus tax resident company, and maintaining a permanent home in Cyprus. The individual must not be present in another country for more than 183 days in total in the year.
- Worldwide Taxation: Cyprus tax residents are taxed on worldwide income. Non-residents are taxed only on Cyprus-sourced income.
- Non-Domicile Regime: Cyprus tax residents who are not domiciled in Cyprus are exempt from Special Defence Contribution (SDC) on dividends, interest, and rental income for 17 years from the year of becoming Cyprus tax resident. Domicile is defined under the Wills and Succession Law.

- INCOME TAX INCENTIVES FOR EXPATS:
- 50% Exemption: 50% exemption of remuneration from first employment in Cyprus, if annual remuneration exceeds €55,000. Applies for 17 years from the year of commencement of employment, provided the individual was not Cyprus tax resident for at least 15 years prior.
 - 20% Exemption: 20% exemption (up to €8,550) for individuals whose annual income does not exceed €55,000, for 7 years, if not resident in Cyprus for at least 3 consecutive years before commencement.

- OTHER EXEMPTIONS:
- Remuneration for salaried services rendered outside Cyprus for more than 90 days in a tax year to a non-Cyprus employer or to a foreign permanent establishment of a Cyprus employer is exempt.
 - Lump sum received on retirement, commutation of pension, or death/gratuity is exempt.
 - Lump sum from life insurance or approved provident/pension fund is exempt.

- Overseas pension is exempt up to €3,420 per year; excess taxed at 5%.

APPLICABLE TAX RATES FOR EXPATS

Annual Chargeable Income (€)	Tax Rate
Up to 19,500	0%
19,501 – 28,000	20%
28,001 – 36,300	25%
36,301 – 60,000	30%
Over 60,000	35%

Social Security

- Compulsory Contributions: Social insurance is mandatory for all employed individuals in Cyprus, including expatriates. Contributions are due from both employer and employee on gross earnings up to a statutory limit.
- Contribution Rates: The rate for 2025 is 8.8% for both employer and employee on earnings up to €66,612 per year. Additional employer contributions: Redundancy Fund (1.2%), Industrial Training Fund (0.5%), Social Cohesion Fund (2.0%, uncapped).
- National Health Insurance System (NHIS): Contributions are payable by both employer (2.90%) and employee (2.65%) on gross earnings up to €180,000.
- Obligation to Register: Employers must register employees with the Social Insurance Services before employment begins.

Current Social Security Rates (2025)

Contribution Type	Employer	Employee	Wage Cap
Social Insurance	8.8%	8.8%	€66,612/year
Redundancy Fund	1.2%	-	€66,612/year
Industrial Training Fund	0.5%	-	€66,612/year
Social Cohesion Fund	2.0%	-	No cap
National Health Insurance	2.90%	2.65%	€180,000/year

Immigration

- Work Permits for Non-EU/EEA/UK Nationals: Third-country nationals require a work and residence permit to take up employment in Cyprus. Application must be made by the employer to the Civil Registry and Migration Department. Permits specify employer, job position, and duration.
- Registration for EU/EEA/UK Nationals: EU/EEA/UK nationals must register with the Civil Registry and Migration Department within four months of arrival and obtain a Registration Certificate ("Yellow Slip") if residing and working for more than 90 days.
- Permanent Residency Permit (PRP): Available under Regulation 6(2) (investment of at least €300,000 in real estate, shares in a Cyprus company, or units in a Cyprus fund), subject to annual income and clean criminal record requirements. PRP also available for persons employed in Cyprus in eligible categories.

Employer Obligations

BEFORE POSTING:

- Ensure all employees have appropriate work/residence permits and comply with immigration registration requirements.
- Register new hires with Social Insurance and National Health Insurance authorities before employment commences.

DURING POSTING:

- Withhold and pay income tax through the PAYE (Pay-As-You-Earn) system.
- Deduct and pay all social insurance and NHIS contributions to relevant authorities monthly.
- Maintain compliance with local labor, tax, and immigration laws.

AFTER POSTING:

- Deregister employees from social insurance and health insurance on termination.
- Finalize tax obligations, including the issuance of a tax certificate if required.



Comparisons

Taxation of Fringe Benefits

Housing	B
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	35%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	35%
Employment Gross Income ¹ 100,000 EUR p.a.	
(before exemptions; expat incentives may lower effective rate)	

Maximum Effective Personal Income

Tax Rates for the past 3 years		
2023	2024	2025
35%	35%	35%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	8,8%
(capped at €66,612); +2.65% NHIS (capped at €180,000)	
Employer	8,8%
(capped at €66,612); +2.9% NHIS (capped at €180,000); plus redundancy, training, cohesion funds	

Social security agreements (SSA)

United Kingdom, Greece, Egypt, Canada, Quebec, Australia, Austria, Slovakia, Switzerland, Czech Republic, Netherlands, Bulgaria, Serbia, Syria. For EU/EEA: EU Reg. 883/2004 & 987/2009.

¹ Excluding fringe benefits such as housing.



Czech Republic

Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › The tax base is calculated separately for each type of income.
- › The income of individuals is subject to a flat tax rate of 15% up to the maximum annual assessment base for social security contributions which is defined as 48 times the monthly average wage (2025: CZK 1,676,052). When the income exceeds this limit, a flat tax rate of 23% is applied.
- › The tax year is the calendar year.
- › Employment income is subject to a monthly income tax advance payments.
- › Each taxpayer whose yearly income that is subject to personal income tax has exceeded CZK 50,000 or who has made a loss from self-employment or has more than one employer at the same time should submit a personal income tax return.
- › Filing deadline for the annual income tax return: 1 April (paper form) – 1 May (electronical form) – 1 July (tax advisor) of the year following the tax year.
- › Allowable deductions are deducted from the tax base.
- › The credits may be deducted from the tax – basic, spouse, child, disability tax credit etc.
- › A joint tax return for married couples is not possible.

Social Security

Social security contributions are compulsory and generally apply to all employees and self-employed persons working or undertaking work in the Czech Republic. The contributions are based on the monthly employment income.

The maximum annual assessment base for rent, unemployment and care insurance contributions in 2025 is CZK 2,234,736. There is no cap on health insurance contributions.

EMPLOYEE

An employee is required to pay contributions to health insurance (4.5%) and pension insurance (7.1%).

EMPLOYER

An employer is required to pay contributions to health insurance (9%), pension insurance (21.5%), sickness insurance (2.1%) and unemployment insurance (1.2%).

Immigration

VISA

- › Any foreigner who wants to work as an employee in the Czech Republic must first obtain a long-term visa (Employee Card or Blue Card) to enter the Czech Republic. The application shall be submitted at any consulate of the Czech Republic abroad.
- › Exceptions apply to all EU and European Economic Area (EEA) citizens and to Swiss (CH) nationals.

WORK PERMIT

- › To be allowed to work in the Czech Republic, third-country nationals (other than EU/EEA/CH nationals) must apply for an employment permit from the relevant regional office of the public employment service.

REGISTRATION

- › Upon arrival in the Czech Republic, all foreigners must register at their local foreign police office within a specific period of time.
- › The Czech birth number (used also as tax ID) and social security ID shall be applied for the employee.

Employer's Obligations

START OF EMPLOYMENT

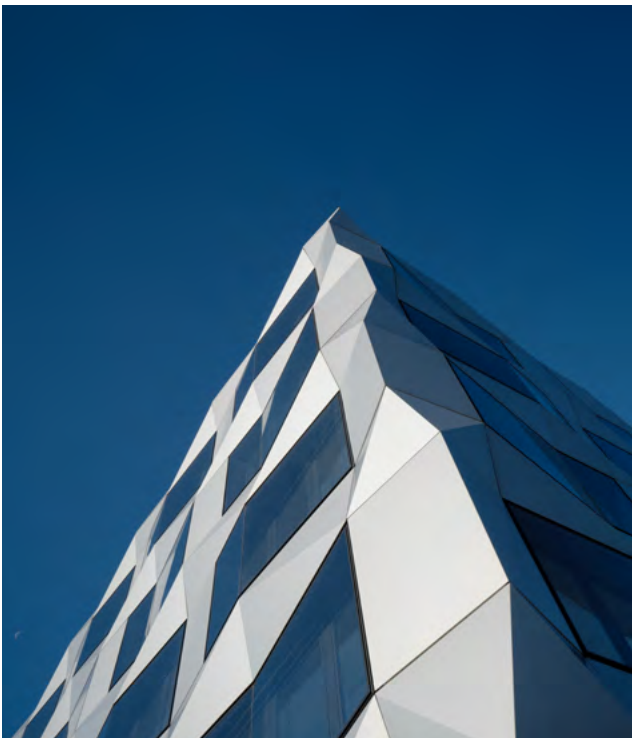
- › Report a vacancy and its characteristics to the relevant public employment office if the employer intends to employ a foreigner (at least 30 days before the start of employment).
- › Notify, in writing, the relevant regional office of the public employment service of the foreigner's starting work date, and do so no later than by the date on which that person starts to work.
- › Register the employee with the competent tax, social and health security authority.

DURING EMPLOYMENT

- › Withhold wage tax each month (meaning any contractual or economic employer whose registered headquarters is located in the Czech Republic).
- › Withhold social and health security contributions each month for the employee.
- › Allocate the employee's remuneration in taxable and non-taxable portions.
- › Prepare and submit an annual wage certificate ("Potvrzení o zdanitelných příjmech").

END OF EMPLOYMENT

- › Notify, in writing, the relevant regional office of the public employment service that the employment was terminated.
- › Inform the competent tax, social and health security authority about the termination of employment.
- › Prepare and submit a final wage certificate ("Potvrzení o zdanitelných příjmech") for the work period within the calendar year.
- › Prepare and submit an employment record ("Zápočtový list") – details about the employee leaving work.



Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	16,4%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	13,9%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
23%	23%	23%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	10,9%
Employer	31,2%

Social Security Agreements (SSA)

Albania, Australia,
Bosnia and Herzegovina, Chile,
India, Japan,
North Macedonia, Moldova, Mongolia,
South Korea, Serbia, Syria,
Canada,
Montenegro,
Israel,
Türkiye,
USA

¹ Excluding fringe benefits such as housing.

Denmark

Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › The tax rate is progressive and ranges from approximately 42% to 56% including 8% AM contribution. Investment income is taxed up to a maximum of 42% and capital gains on shares and dividend distributions are taxed at a flat tax rate of 27% up to a threshold of DKK 67,500 (2025) and a rate of 42% on the excess amount.
- › The tax-free threshold up to DKK 51,600 (2025) and a job-allowance of up to DKK 55,600 (2025) apply.
- › The tax year is the calendar year.
- › The filing deadline for the annual income tax return is generally 1 May of the year following the tax year. However, if foreign income or business income is relevant, the filing deadline for the annual income tax return is 1 July of the year following the tax year.
- › Employment income is subject to a monthly withholding tax.

Social Security

Social security contributions are mandatory for employees working in Denmark. The contributions are governed by national legislation, including the ATP Act and other statutory schemes. For cross-border situations within the EU/EEA, coordination follows EU Regulation no. 883/2004.

- › The contributions are not based on the monthly employment income and are generally low compared to other EU countries.

EMPLOYEE

- › An employee is required to pay ATP contributions of DKK 1,188 per year. The costs are collected by the employer monthly.

EMPLOYER

- › An employer is required to pay ATP contributions of DKK 2,376 per year per full time employee plus other various contributions. The annual costs vary depending on the work performed by the employee but are approximately DKK 10,000 – 16,500 per year per full-time employee. The costs, including the employee contributions collected, are paid quarterly to the relevant authorities, including ATP and Udbetaling Danmark.

- › Employers are required to take out and pay industrial injury insurance. The rates depend on sector and risk classification.

Immigration

VISA

- › Nationals of countries requiring a visa must obtain one prior to entry for short-term work-related stays (up to 90 days in a 180-day period), including receiving or providing educational training or participating in negotiations.
- › Nationals from visa-free countries or individuals holding valid residence or re-entry permits in other Schengen countries may enter Denmark without a visa.

WORK PERMIT

- › EU/EEA/CH citizens may reside and work in Denmark under the EU legislation on free movement.
- › Nordic citizens are free to reside and work in Denmark without restrictions.
- › Third-country nationals (from outside the EU/EEA/CH) must obtain a residence and work permit to legally work in Denmark. Different schemes are available, e.g. the Positive List, The Pay Limit scheme and The Fast-track scheme.

REGISTRATION

- › Upon arrival in Denmark, all foreigners (except Nordic citizens) must register with the authorities within a specific period of time.

Employer's Obligations

START OF EMPLOYMENT

- › Ensure that the employee has the legal right to work in Denmark. Failure to do so may result in penalties, including fines or imprisonment.
- › Apply for the employee's tax identification number and assist the employee in obtaining a preliminary income assessment and a tax card.

- › Register the employee for social security purposes with the competent social security authorities.

DURING EMPLOYMENT

- › Ensure to apply for an extension of the residence and work permit before the expiry date.
- › Report/withhold/pay taxes and contributions, including personal income tax, labour market contributions, and social security contributions to the relevant authorities. This is a requirement for any employer with permanent establishment in Denmark.

TERMINATION OF EMPLOYMENT

- › For some employees, the right to reside and work in Denmark is dependent on the employment contract. Consequently, termination of employment may result in loss of legal residency and permission to work.



Comparisons

Taxation of Fringe Benefits

Housing	B
Home Flights	C
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	up to 56%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	up to 56%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
56%	56%	56%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	DKK 1,188 / year (approx. € 159)
Employer	approx. DKK 10,000–16,500 / year (approx. € 1,330–2,200)

Social Security Agreements (SSA)²

Australia, Bosnia and Hercegovina, Canada (and Québec), Chile, India, China, North Macedonia, Morocco, Montenegro, New Zealand, Republic of Korea (South Korea), Serbia, United States, Türkiye, Pakistan, Philippines, Israel

¹ Excluding fringe benefits such as housing.

² Some only deal with certain aspects of social security.



Estonia

Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › The tax rate is 22%.
- › The tax year is the calendar year.
- › The filing deadline for the annual income tax return is 30 April of the year following the tax year.
- › Employment income is subject to a monthly withholding tax. Personal income tax is withheld monthly by the employer at a rate of 22% of the gross salary of the employee.

Social Security

Social security contributions are compulsory and generally apply to all employees working in Estonia. The contributions are based on the monthly employment income.

EMPLOYEE

- › An employee is required to pay a contribution to the unemployment insurance fund (1.6%, withheld by the employer).

EMPLOYER

- › An employer is required to pay social tax at a rate of 33%, contributions to the unemployment insurance fund (0.8%) and contributions to mandatory funded pensions (2%).
- › The employer is liable for all the payments on a monthly basis.

Immigration

VISA

- › As a general rule, any foreigner who wants to work in Estonia should first obtain a visa to enter Estonia and work here.
- › Exceptions apply to all EU and European Economic Area (EEA) citizens and to Swiss (CH) nationals (3-month period).

WORK PERMIT

- › To be permitted to work in Estonia, third-country nationals (other than EU, EEA, CH nationals) must apply for a residence permit. The person to whom the residence permit has been granted, does not need a separate work permit.
- › For specific purposes, it is possible to work in Estonia for short-term employment without applying for a residence permit.

REGISTRATION

- › As a general rule, upon arrival in Estonia, all foreigners must register their address in Estonia in the population register of Estonia within 1 month (in 3 months for EU nationals).
- › Employees must be registered in the Tax and Customs Board and generally also at the Police and Border Guard Board before commencing work.

Employer's Obligations

START OF EMPLOYMENT

- › Register the employee as an employee in Estonia.
- › Non-resident companies should register as a non-resident employer.

DURING EMPLOYMENT

- › Inform the Police and Border Guard Board as well as the Tax and Customs Board about the start of the employment of the foreigner.
- › Withhold wage taxes on a monthly basis.
- › Withhold social security contributions on a monthly basis.
- › Prepare and submit tax returns for the income, social tax and contribution to unemployment insurance fund of the employee.

TERMINATION OF EMPLOYMENT

- › Inform the Police and Border Guard Board as well as the Tax and Customs Board about the termination of the employment of the foreigner.



Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	22%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	22%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
20%	20%	20%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	1,6%
Employer	33,8%

Social Security Agreements (SSA)²

Russia
Canada
Ukraine
Australia
Belarus
Moldova

¹ Excluding fringe benefits such as housing.



Personal Income Tax

- › Taxable income comprises earned income and capital income, depending on source/residency status.
- › The tax rate for the state tax is progressive and ranges from 12,64 % to 44,25 %. In addition, there are two flat rates of tax applicable to earned income; municipal tax ranging from 4.70% to 10.90% and, if applicable, church tax ranging from 1% to 2.25%.
- › Tax-free threshold up to € 21,200 in state taxation. For assessing the municipal income tax, deductions up to certain income levels will be considered.
- › The final tax at source rate for non-residents staying in Finland max. 6 months is 35% and for foreign key employees (a special act applies) 32%. As of 2014, a non-resident can request taxation under the progressive scale under certain conditions.
- › The capital income tax rate is 30% for income up to € 30,000 and 34% for the exceeding amount.
- › Public broadcasting tax is 2.50% of the net earned and net capital income exceeding € 15,150, max. amount of tax is € 160.
- › The tax year is the calendar year.
- › Filing deadline for the annual income tax return is in April of the year following the tax year. The exact filing date is stated on the pre-completed tax return form. An extension may be granted upon application.
- › Employment income is subject to a monthly withholding tax (in general).
- › Tax exempt income, e.g. income from foreign sources may be considered for calculating the personal tax rate (progression clause).

Social Security

Social security contributions are compulsory and generally apply to all employees working in Finland. The contributions are generally based on the gross monthly employment income (some positions such as severance pay may be exempt). There is no annual income ceiling when calculating the contributions.

EMPLOYEE

- › Employees are required to pay contributions to old-age pension (7,15% / 8,65%), unemployment (0,59%) and health insurance, i.e. the contribution for daily allowance coverage (0,84 %) and contribution for medical care coverage (1,06%), (1.06% and 0.84%) included in the tax percent) on their gross income.
- › The contributions are usually collected in the monthly payroll by the employer.

EMPLOYER

- › An employer is required to pay contributions to old-age pension (on average 17,38%), unemployment (0.20 % to 0,80 %), accident (on average 0,54 %) and group life (on average 0,06 %) insurance.
- › The contributions are paid just once a year, quarterly or on a monthly basis (depending on the contribution). Pension insurance contributions are usually paid monthly.
- › The employer contributions are generally tax-free.
- › If the foreign employer is considered to have a permanent establishment for income tax purposes in Finland, it has to pay the employer's health insurance contribution (1.87%) if the employee does not have an A1 certificate. The contribution is payable to the tax authority.

Immigration

VISA

- › A residence permit is an authorisation issued to a foreign national allowing repeated entry into the country and residence in the country for purposes other than tourism. The type of residence permit depends on the purpose of the stay.
- › Basically, an application for a residence permit must be submitted abroad, before entering Finland.
- › Working in Finland with a permit granted by another country is usually not allowed, especially if the duration of the job is longer than 90 days.
- › In some cases, it is sufficient to have a residence permit, or a visa granted by another Schengen country, or the employee might be allowed to reside in Finland without a visa. In these situations, the right to work is limited to certain jobs, and it

applies for max. 90 days, yet no longer than the visa is valid

- › Exceptions apply to all EU and European Economic Area (EEA) citizens and to Swiss nationals.

WORK PERMIT

- › Any foreigner who intends to work in Finland, usually needs a residence permit based on employment, granted by the state of Finland (exceptions apply to EU, EEA and Swiss citizens and certain type of employees).
- › A residence permit for an employed person is to be requested if working is not permitted with another residence permit or without one.

REGISTRATION

- › Usually, an application for a residence permit must be submitted abroad before entering Finland. When applying for the permit after entering Finland, the Finnish Immigration Service is in charge of the handling of all permits for foreign nationals.
- › EU, EEA and Swiss citizens need to register their right of residence with the Finnish Immigration Service if they stay in Finland for longer than 3 months. (exceptions in case of citizens of Iceland, Norway, Sweden and Denmark).
- › An individual working in Finland usually requires a Finnish personal ID. A Finnish personal ID is normally requested from a local register office of the Finnish Digital Agency. If the personal ID is needed for a tax-related reason, the personal ID and the Finnish tax number can be applied for at a tax office.
- › If the estimated assignment period in Finland is more than 12 months, the individual may obtain the right to be registered in a Finnish municipality of domicile by a local registry office of the Finnish Digital Agency (certain requirements apply).

Employer's Obligations

START OF EMPLOYMENT

- › An employer must verify that a foreign employee has the required residence permit for an employed person or that the employee does not need a residence permit. The employer must also verify that the foreign employee has the right to reside in Finland.

Business with no permanent establishment

- › No obligation to register as an employer paying wages on a regular basis, however, voluntary registration is possible. If the employer does not apply for the registration on a voluntary basis, it does not withhold the tax on the monthly salary, instead the employees apply for the tax prepayments by themselves in the event that Finland has a taxation right on the salary.

Business with permanent establishment

- › Obligation to register as an employer paying wages on a regular basis with the tax authority

DURING EMPLOYMENT

Business with no permanent establishment

- › Obligation to withhold social security contributions on a monthly basis for the employee payable to the home or host country insurance company.
- › Foreign employers must submit earnings payment reports to the Incomes Register in the following situations:
 1. Income is paid to an income earner working in Finland, and one of the following criteria is met:
 - › The income earner is insured in Finland.
 - › The income earner resides in Finland for more than 6 months, even if he/she is not insured in Finland.
 - › The income earner works in Finland as a leased employee for a service recipient in Finland. The data must be submitted when the tax treaty between the employee's country of residence and Finland allows the taxation of a leased employee's wages in Finland, or when there is no tax treaty.
 2. An income earner working abroad is paid income, and the income earner is insured in Finland.

Business with permanent establishment

- › Obligation to withhold social security contributions on a monthly basis for the employee payable to the home or host country insurance company.
- › Obligation to withhold the tax on the monthly salary calculated on the basis of the Finnish regulations and to submit earnings payment reports to the Incomes Register each month.

- › If no wages are paid during some months, the company must submit the "No wages payable" entry on an employer's separate report.
- › A foreign employer is obligated to pay the employer's health insurance contribution based on the wages if it obtains a permanent establishment for income taxation in Finland. The employer must report the employer's health insurance contribution to the Incomes Register on an employer's separate report.

TERMINATION OF EMPLOYMENT

- › Cancel the work permit for the employee if applicable.
- › Deregister from the employer's register if registered as an employer paying wages on a regular basis and if there is no intention to employ any employees in the future.

¹ Excluding fringe benefits such as housing.
² Health insurance contributions of 1.9% and public broadcasting tax included, municipality tax for Helsinki, no church tax.
³ Including state tax, church tax, municipality tax, broadcasting tax, health insurance contributions and employee pension insurance contributions and unemployment insurance contribution.
⁴ No ceiling for contributions. On average: contributions depend on e.g. the employee's age, accident risk of the employment.
⁵ Covers national pensions, urgent medical treatment included.
⁶ Covers old-age pensions and survivor pensions.
⁷ Covers old-age pensions, survivor pensions and medical treatment (for pensioners).
⁸ Covers only pensions awarded under the statutory earnings-related pension scheme and unemployment insurance contributions.
⁹ Covers only pensions awarded under the statutory earnings-related pension scheme.
¹⁰ Covers old-age pensions, survivor pensions, child benefits and maternity grants. With respect to posted workers, it also covers health insurance and parental benefits.
¹¹ Includes the countries Denmark, Finland, Iceland, Norway and Sweden.
¹² Covers medical treatment and health insurance.
¹³ Covers medical treatment and health insurance.
¹⁴ Covers national pensions and survivor pensions; for foreign delegates: health insurance, parental insurance and child benefits too.

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	30,5% ²
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	30,5% ²
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
57,8%	58,0%	57,5% ³

Social Security Rates

Employment Gross Income¹ 100,000 EUR p.a.

Employee	9,64% ⁴
Employer	18,78% ⁴

Social Security Agreements (SSA)

Australia⁵
Canada⁶
Chile⁷
China⁸
India⁹
Israel¹⁰
Nordic Convention¹¹
Province of Quebec¹²
South-Korea¹³
USA¹⁴



Personal Income Tax

- › The French personal and annual income tax rate is progressive and ranges from 0% to 45%.
- › Foreign tax residents are only subject to tax in France on their French-sourced income with a minimum rate of taxation of 20% (30% for the share of the net taxable income exceeding € 25,710). This minimum rate does not apply if a foreign taxpayer provides evidence that their French personal income tax, resulting from the application of the progressive tax scale, represents a total taxation rate lower than 20%. In this event, the taxation under the standard tax scale applies.
- › A contribution on high income (€ 250,000 for a single person or € 500,000 for a married couple) may also be due.
- › A new minimal tax of 20% called CDHR is potentially applicable as of January 1st 2025.
- › Foreign tax residents must file an annual income tax return under the same conditions as a French tax resident including their French-sourced income. Filing deadline: no later than mid-May for the paper-based return and end of May or beginning of June for the online return depending on the place of residence of the taxpayer.
- › The salaries earned in France by a non-French tax resident are subject to a withholding tax due quarterly by the employer. The withholding tax is levied on a progressive tax rate up to 20%.
- › Specific tax regimes are in place for impatriates who become French tax residents, and for French tax residents posted abroad.

Social Security

The contributions are shared between the employer and employee.

EMPLOYEE

- › The employee's contributions represent around 20% to 25% of the gross salary.

EMPLOYER

- › The employer's contributions represent around 35% to 45% of the gross salary, depending particularly on the salary, employee status and activity.

- › Both contributions are effectively paid by the employer to the French authorities.

Immigration

VISA

- › As a rule, foreign individuals who want to work as an employee in France must first obtain a visa or a residence permit to enter France unless they are exempt.
- › Exceptions apply to all European Union (EU) and European Economic Area (EEA) citizens and to Swiss (CH) nationals.

WORK PERMIT

- › EU, EEA and CH nationals are not required to hold a work permit to work in France.
- › To be allowed to work in France, third-country nationals (meaning other than EU/EEA/CH nationals) must hold a work permit, which can be
 - › a long-stay visa or a residence permit that automatically allows the employee to work in France;
 - › a temporary visa or residence permit for professional purposes;
 - › a temporary work permit for a renewable period up to 12 months;
 - › a certificate of application for a residence permit.

REGISTRATION

- › Upon arrival in France, the employee must register with the immigration services (OFII).

Employer's Obligations

START OF EMPLOYMENT

- › Apply for a work permit with the French local authorities ("Préfecture") if applicable.
- › File a pre-employment statement at the French social security ("URSSAF") no later than 8 days before the beginning of the employment.
- › Pre-employment medical examination before the beginning of the employment or no later than the end of the probation period.
- › Registration of the new employee with the official employees' registry.

DURING EMPLOYMENT

- › A withholding tax called "RAS" is levied on a quar-

terly basis by the employer only if the employee is a non-French tax resident. The rate is progressive and varies between 12% and 20%.

- For French tax residents, a monthly withholding tax called "PAS" is levied by the employer. The rate is calculated on the last income released by the taxpayer.

TERMINATION OF EMPLOYMENT

- Specific formal requirement applies at the time of the termination of employment.
- Specific tax and social security exemptions may apply on termination payments.



Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	18%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	5%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
45%	45%	45%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	approx. 22%
Employer	approx. 45%

Social Security Agreements (SSA)

USA
Canada
Japan
India
China
Brazil
South Korea
Philippines
Argentina
Morocco and SSAs with more countries

¹ Excluding fringe benefits such as housing.



Germany

Personal Income Tax

- Individuals are taxed on income, depending on source/residency status.
- The tax rate is progressive and ranges from 14% to 45% (except for investment income with a general flat tax rate of 25%) plus solidarity surcharge (5.5% of the income tax) and, if applicable, church tax (8% or 9% of the income tax).
- Tax-free threshold up to € 12,096 (single filing)/€ 24,192 (joint filing).
- The tax year is the calendar year.
- Filing deadline for the annual income tax return: 31 July of the year following the tax year. Extensions are possible until February 28/29 of the year that follows with the assistance of a tax advisor (i.e. 28 February 2027 for the tax return 2025).
- Employment income is generally subject to a monthly withholding tax.
- Depending on the status of residency, tax-exempt income needs to be considered for calculating personal tax rates (progression clause).

Social Security

Employees working in Germany are generally subject to German social security. Individuals on assignment to Germany from other EU/EEC member states or Switzerland may be exempt from contributing to the German social security scheme upon application based on the EEC regulation. Individuals coming from other countries may be exempt based on totalisation agreements or under Germany's domestic law.

EMPLOYEE

- An employee is required to pay contributions to old-age pension (9.3%), unemployment (1.3%), health (7.3% + surcharge 1.25% average) and nursing care (1.8%) insurance up to an annual income ceiling for pension and unemployment (€ 96,600) and for health and nursing care (€ 66,150). Health insurance companies assess an additional individual contribution, depending on the insurance companies (average: 1.25% for 2025) Additional nursing care insurance contributions (0.6%) up to an annual income ceiling (€ 66,150) will be due for

individuals without children and above the age of 23. Since July 2023, the amount of nursing care contributions depends on the number of children (minus 0,25% per child up to 5 children).

- If the employment exceeds the annual threshold of € 73,800, a private health and nursing care insurance is possible.

EMPLOYER

- An employer is required to pay contributions to old-age pension (9.3%), unemployment (1.3%), health (7.3% + surcharge 1.25% average) and nursing care (1.8%) insurance up to an annual income ceiling for pensions and unemployment (€ 96,600) and for health and nursing care (€ 66,150).
- The employer is liable for all payments on a monthly basis. The employer contributions are generally tax-free.
- Work accident contributions are borne by the employer.

Since 2025, social security income ceilings for pension and unemployment insurance do not differ anymore from those as mentioned above in the new German states (Brandenburg, Mecklenburg Vorpommern, Saxony, Saxony-Anhalt and Thüringen).

Immigration

VISA

- As a rule, any foreigner who wants to work as an employee in Germany must first obtain a visa to enter Germany.
- Exceptions apply to all EU and Europe Economic Area (EEA) citizens and to Swiss (CH) nationals.
- Citizens of Australia, Canada, Israel, Japan, New Zealand, the Republic of Korea; United Kingdom and the USA may also be required to obtain residence permits after entering Germany at the local immigration authority, without applying for a visa beforehand.

WORK PERMIT

- In order to be allowed to work in Germany, third-country nationals (other than EU/EEA/CH

nationals) must apply for a residence work permit at the German consulate abroad or at the foreigners registration office in Germany.

REGISTRATION

- › Upon arrival in Germany, foreigners residing in Germany must register at their local registration office within a specific period of time (generally within 2 weeks).
- › After registration, a German tax ID will be issued automatically.

Employer's Obligations

START OF EMPLOYMENT

- › Appropriate sharing of costs based on transfer pricing aspects should be agreed between the home and host company and documented properly.
- › Obtain correct working visa type for an employee (if applicable).
- › Request the electronic wage tax characteristics ("EL- StaM") for payroll enrolment.
- › Register the employee at the competent social security authority.

DURING EMPLOYMENT

- › Home and host company should establish a reporting system to exchange payroll data, especially in the case of split pay out scenarios.
- › Withholding wage tax on a monthly basis by the German employer (meaning any contractual or economic employer whose registered seat is located in Germany).
- › Withholding social security contributions on a monthly basis for the employee.
- › Allocate the employee's remuneration in taxable and non-taxable portions.
- › File special wage tax applications (i.e. to exempt income from taxation based on double tax treaty, to apply special tax classes).
- › Prepare and submit an annual wage tax certificate ("Lohnsteuerbescheinigung") as well as social security certificate ("Jahresentgeltbescheinigung").

TERMINATION OF EMPLOYMENT

- › Cancel the work permit for the employee (if applicable).

- › Prepare and submit a final wage tax certificate ("Lohnsteuerbescheinigung") as well as social security certificate ("Jahresentgeltbescheinigung") for the work period within the calendar year.

Comparisons		
Taxation of Fringe Benefits		
Housing		C
Home Flights		C
Education for children		C
A Tax exempt B Taxable C Tax relief under certain conditions		
Tax Rates		
Single, no children		29%
Employment Gross Income ¹ 100,000 EUR p.a.		
Married, 2 children		19%
Employment Gross Income ¹ 100,000 EUR p.a.		
Maximum Effective Personal Income Tax Rates for the past 3 years		
2023	2024	2025
47,48%	47,48%	47,48%
Social Security Rates		
Employment Gross Income ¹ 100,000 EUR p.a.		
Employee		21,55%
Employer		20,95%
Social Security Agreements (SSA) ²		
Australia		
China		
India		
Japan		
Kanada		
USA		
and SSAs with 17 further countries		
¹ Excluding fringe benefits such as housing.		



Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › A flat 15% personal income tax rate is levied on the taxable income, no tax-free threshold applies.
- › The tax year is identical with the calendar year.
- › The filing deadline for the annual personal income tax return is 20th May of the following year. Extension is possible only under limited circumstances, e.g. official document on foreign income is not available by the deadline. In such cases, a request for prolongation has to be filed with the tax authority.
- › Family tax base allowance system applies for individuals with children. Family tax base allowance and other tax credits could be utilized by non-residents under certain circumstances.
- › In general, income tax is withheld from the employment income on a monthly basis.

Social Security

Participation in the Hungarian social security system consisting of health, pension insurance and labour force market contribution is mandatory for individuals working in Hungary. EU provisions on the coordination of social security as well as the provisions of social security agreements have also to be considered.

EMPLOYEE

- › Employment income is subject to 18.5% social security contribution.
- › In general, social security contribution is withheld from the employment income on a monthly basis.

EMPLOYER

- › Employer's social security tax is 13% of the employment income.

Immigration

VISA

- › In general, foreigners who are coming to work in Hungary are required to possess a visa.
- › Exceptions apply to all EU and European Economic

- Area (EEA) citizens and to Swiss (CH) nationals.
- › No visa is needed for individuals from (for example) Australia, Brazil, Canada, Mexico, UK, United States in the case of a stay for 90 days.

WORK PERMIT

- › EU/EEA and Swiss citizens can be employed in Hungary without a work permit. Only a reporting obligation is required.
- › Work permit must be requested for third-country employees who wish to work in Hungary.

REGISTRATION

- › EU/EEA nationals are required to report their stay longer than 90 days within a 180-days period at the immigration office.
- › Residence permit applications for third-country employees shall be requested at the consular officer or other official location authorized to receive residence permit applications in the home country of the individual.
- › The request for Hungarian tax ID number and social security number (if needed) has to be submitted by the individual with the competent authority.

Employer's Obligations

START OF EMPLOYMENT

- › Requesting work permit for the employee.
- › Reporting new employees from EU/EEA at the government office.
- › Reporting new employees to the Hungarian tax authority if Hungarian social security liability applies.
- › In the case of hiring third-country employees, a preliminary request should be filed with the labour office, who decides whether a third-country employee could be hired for the job in question.
- › Employees of a foreign employer sent to Hungary to perform an activity (employment or assignment) should be reported online to the Hungarian Labour Inspectorate by the foreign employer.
- › Foreign employers employing Hungarian private persons who are subject to Hungarian social security have to be registered for payroll purposes at the Hungarian tax authority and fulfil monthly tax and social security liabilities.

DURING EMPLOYMENT

- › If the employee has local (Hungarian) contract, the employer withholds the income tax and the social security contribution from the gross salary and transfers these amounts to the tax authority on a monthly basis.
- › If the employee has an employment contract with a foreign company and works in Hungary (receives income taxable in Hungary), personal income tax advance has to be paid by the employee on a quarterly basis. Should the employee be obliged to pay Hungarian social security, the foreign employer has to register in Hungary and is obliged to report and pay social security contributions. If the employer fails to register, the employee becomes obliged to fulfil the employer's obligations.
- › Tax allowance could be considered by the employer during the monthly payroll based on the declaration of the employee.
- › The employer is obliged to prepare an annual tax and social security certificate (form M30).
- › The employer is not obliged to prepare a yearly personal income tax return for the employee. Nevertheless, the Hungarian tax authority prepares a draft of the yearly income tax return based on the information available in its database.

TERMINATION OF EMPLOYMENT

- › Reporting the end of activity of foreign employees leaving Hungary at the tax authority and the government office.
- › Cancel the work permit for the employee (if applicable).
- › Prepare final wage tax certificate.

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	15%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	13,80%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
15%	15%	15%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	18,55%
Employer	13%

Social Security Agreements (SSA)²

Australia
Bosnia and Herzegovina
Canada
India
Japan
Republic of Korea
Russian Federation
Serbia
USA
Türkiye

¹ Excluding fringe benefits such as housing.



Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › The tax rate is progressive and ranges from 23% to 43%. On top of this, municipal (up to 0.8%) and regional surcharges (in the range of 1.2% to 3.33%) apply. Financial income is, in general, taxed on the basis of a 26% substitute tax.
- › The tax year is the calendar year.
- › The filing deadline for the annual income tax return is 31st October of the year following the tax year. It is possible, upon the payment of a reduced penalty of € 25, to file the annual income tax return within the following ninety days.
- › Employment income is subject to a monthly withholding tax (in general) applied by the employer directly.

Social Security

- › Social security contributions (SSC) are mandatory and generally applicable to all people who are employed and actually work in Italy.
- › SSC covers retirement, unemployment, illness, maternity/parental care (national authority "INPS") as well as work accident contributions (national authority "INAIL").
- › SSC are paid by the employer and the employee according to the rates below.
- › SSC due are paid by the employer monthly on the salary due to the employee.
- › The employer is liable for all payments and must withhold the relevant amount of the employee's salary.
- › SSC are tax free for the employee and can be deducted by the employer from company income as a part of employment.
- › If the relevant employee has been enrolled in the social security system before 1 January 1996, SSC are calculated on the full salary without any ceiling applicable.
- › If the relevant employee has been enrolled in the social security system after 1 January 1996, SSC are calculated within the limit of a ceiling fixed yearly by law (i.e. € 120 ,607 for 2025)
- › The applicable rate depends on the employer's sector of activity (i.e. industry, agriculture, cred-

it, services etc.) and the employer's workforce dimension.

EMPLOYEE

- › Applicable rate: 9.19% (10.19% for the part of the salary higher than a ceiling fixed yearly by law which is € 55, 448 for 2025).

EMPLOYER

- › Applicable rate: ~28% to 33%

Immigration

VISA

- › As a rule, any non-EU national who wants to work as an employee in Italy must first obtain a visa to enter the country. This process generally requires the prior issuance of a work permit (*nulla osta*) by the Italian immigration authority.

WORK PERMIT

- › Italian immigration law provides two different types of immigration procedures:
 - › Without quotas: this procedure applies for the local hiring of qualified employees, intra-company transfers, service agreements, researchers etc.
 - › Subject to quotas: all those cases that do not fall within the above mentioned category.
- › In any case, a *nulla osta* must be requested in Italy by the hosting company or service entity before the employee's arrival.
- › Once the *nulla osta* is issued, the employee (and dependents) must apply for an Italian national visa at the Italian Consulate in the country where they are residing.
- › Exceptions apply to EU and EEA citizens, as well as to Swiss nationals, who do not require a visa or work permit to be employed in Italy.

REGISTRATION

- › To be allowed to work in Italy, after the issuance of both the *nulla osta* and the visa, third-country nationals (meaning: other than EU/EEA/CH nationals) must apply for a residence permit (*permesso di soggiorno*) that will allow them to stay and work in Italy beyond the validity of the visa. In fact, upon arrival in Italy, third-country nationals

- must apply for the residence permit in Italy within 8 days.
- › All foreigners must register themselves at the Italian town hall within 90 days from the entry in Italy and must apply for the Italian tax ID with the relevant authority.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain an Italian tax ID in order to be enrolled in the social security system before hiring any employee.
- › Communicate the commencement of every employment relationship to employment services within a day before the employment relationship is initiated; if not, the employment relationship will be considered as undeclared work.
- › Obtain a proper work permit and residence permit for the relevant employee (if applicable).
- › Obtain for all employees the identity card (or passport) and the Italian tax ID so as to enroll the relevant employee in the employer's payroll.
- › Register the employee in the social security system.
- › Communicate to the immigration services the hiring of the third-country national employee and provide the employment office with all the required documents (i.e. copy of residency agreement and residence permit) within 5 days (if applicable).

DURING EMPLOYMENT

- › Withhold employee's SSC and employee's taxes each month.
- › Communicate to employment services any modification related to each employment relationship (e.g. transformation from fixed-term employment to open-ended employment; transformation from part-time to full-time and vice versa, transformation from apprenticeship to open-ended employment).
- › Complete and send to the tax authority and to each employee the annual tax certificate (so-called "CU Statement") that states the salary paid in the previous year.
- › Complete and send to the tax authority the formal declaration regarding withholding tax and social

contribution applied in the previous year with reference to each employee (so-called "770 Statement").

- › employers with ≤ 5 employees may opt to submit the monthly withholding summary via F24 instead of Form 770 but must still a *Certificazione Unica* by March.

- › Communicate to the immigration services and to the employment service every variation related to the employment relationship with a third-national employee (if applicable).

TERMINATION OF EMPLOYMENT

- › Communicate the termination of the employment relationship to employment services.
- › Communicate the termination of the employment relationship with a third-country national employee (if applicable).
- › Complete and send to the tax authority and to the terminated employee the annual tax certificate (so-called "CU Statement") that states the salary paid due to the employment relationship up to the termination.
- › Other specific rules could be applicable with reference to the reason of the termination (e.g. validation of employee's resignation, payment of the additional contribution for unemployment).



Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	33,8%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	33,5%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
43%	43%	43%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	9,19 + 1%
Employer	30%

Social Security Agreements (SSA)

Argentina
Australia
Brazil
Canada
India
Israel
Turkey
UK
USA

¹ Excluding fringe benefits such as housing.



Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › Progressive personal income tax (PIT) rates are 25.5%/33%. Additional 3% PIT rate applies to annual income exceeding EUR 200,000.
- › 25.5% PIT applies to dividends, interest and rental income and capital gains.
- › The tax year is the calendar year.
- › Annual income tax declarations for the preceding year shall be submitted in the time period from 1 March until 1 June of the following year. If annual income exceeds the ceiling of the social security contributions (currently € 105,300), the annual tax return should be submitted from 1 April until 1 July of the following year.

Social Security

Social security contributions (SSC) are compulsory for employees working in Latvia. The contributions are specified for both employee and employer. The total standard rate of the SSC is 34.09%. Annual salary exceeding € 105,300 is not subject to SSC but is subject to solidarity tax at the same rate as SSC. After submission of the annual tax return, the solidarity tax is calculated at 25% on an annual basis, and the overpaid amount is refunded to the employer.

EMPLOYEE

- › Employee SSC rate is 10.5% of the gross salary.

EMPLOYER

- › Employer rate is 23.59% on top of the gross salary.
- › Foreign employers not registered in Latvia but who have employees working in accordance with employment agreements in Latvia, who are subject to social security in Latvia, must register as employers in Latvia for SSC purposes and pay SSC accordingly.

Immigration

VISA

- › Foreigners who want to enter Latvia must first obtain a visa.
- › Exceptions apply to all EU and European Economic Area (EEA) citizens and Swiss nationals, as well as countries mentioned in the 14 November 2018 European Council Regulation (EC) No 2018/1806.
- › Exceptions apply also to British nationals who are not British citizens: British Nationals (Overseas), British overseas territories citizens (BOTC), British overseas citizens (BOC), British protected persons (BPP), British subjects (BS); as well as to refugees, stateless persons and other persons without a citizenship, who permanently reside in one of the EU member state and hold a travel document issued by this member state (except Ireland).

WORK PERMIT

- › Any foreigner who wants to work as an employee in Latvia must obtain a D category national visa or temporary residence permit with rights to work in Latvia. All EU, EEA and Swiss citizens and their family members do not require a visa or temporary residence permit with rights to work and can be employed without limitations, however, they shall obtain a Registration Card of the Union Citizen / a Residence Permit of a Family Member of the Union Citizen if they intend to stay in Latvia for longer than 90 days within any 180-day period.

REGISTRATION

- › The visa must be obtained from the Latvian representative office abroad or from the Office of Citizenship and Migration Affairs in Latvia (if the foreigner is located in Latvia). However, the documents for the temporary residence permit can be submitted only to Embassy of Latvia abroad or directly to the Office of Citizenship and Migration Affairs in Latvia (if the foreigner is located in Latvia) and the temporary residence permit card can be obtained only personally in Latvia at the Office of Citizenship and Migration Affairs.
- › The D category national visa is issued for up to one year. The temporary residence permits are issued for up to 5 years, however temporary residence permits should be registered at the Office

of Citizenship and Migration Affairs every year. The EU blue card, which is issued to highly skilled employees, is issued for 2 years without obligation to register it.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain visa/ temporary residence permit with rights to work for the employee (if applicable).

DURING EMPLOYMENT

- › Employer withholds, pays and reports PIT and SSC on a monthly basis.
- › Prepare a summary report for the year for all employees regarding annual salaries and taxes paid.

TERMINATION OF EMPLOYMENT

- › Cancel employee status on the employees register with the State Revenue Service.
- › Cancel the work permit for the employee (if applicable).



Comparisons

Taxation of Fringe Benefits

Housing	B
Home Flights	B
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	25.5/33%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	25.5/33%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
31%	31%	31%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	10,5%
Employer	23.59%

Social Security Agreements (SSA)²

Belarus
Canada
Russia
Ukraine
USA
Australia
Guernsey
Moldova

¹ Excluding fringe benefits such as housing.



Luxembourg

Personal Income Tax

- › Individuals are taxed on income, depending on the category of income/residency status/tax class (which depends on the civil status of the taxpayer).
- › The tax rate is progressive and ranges from 0% (up to € 13,400/€ 26,650 for taxpayers filing jointly) to 42% (above € 234,900/€ 469,750 for taxpayers filing jointly).
- › A contribution for the employment fund amounting to 7% for income up to € 150,000 (€ 300,000 for taxpayers filing jointly), and 9% above, leading to an effective marginal rate of 45,78%
- › The tax year is the calendar year.
- › The filing deadline for the annual income tax return is 31 December of the year following the tax year.
- › Employment income is usually subject to a monthly withholding tax (creditable against personal income tax).
- › Income which is exempt under DTT may be considered for calculating the personal tax rate (progression clause).
- › In 2011, Luxembourg introduced a special tax regime applying to highly-qualified employees recruited abroad (expatriates), subject to further conditions. This special tax regime experienced several changes since its introduction to enhance attractiveness, with the last updates coming into effect on 1 January 2025.

Social Security

Social security contributions are compulsory and generally apply to all employees working in Luxembourg. The contributions are calculated on the monthly employment income. Social security contributions are limited to a ceiling of annual income amounting to € 158,267,52 (except for the portion of contributions financing the dependency insurance, see below).

EMPLOYEE

- › Employees' contributions include: pension insurance (8%), health insurance (2.80%/3.05%), and dependency insurance (1.4%). An accident insurance contribution may be levied, subject to con-

ditions and bonus-malus factor applicable to the employment. Total employee contributions on recurring salary payments may range from 12.45% to 13.15%.

EMPLOYER

- › Employers' contributions include: pension insurance (8%), health insurance (2.80%/3.05%), accident insurance (0.70% subject to bonus-malus), mutual insurance (0.07% to 2.64%) and occupational health contributions (0.14%), i.e. a total of 11.96% to 14.53%.
- › The employer is liable for all payments (employee's and employer's contributions) each month.

Immigration

VISA

- › Nationals from certain third countries who wish to come to Luxembourg must, before departure, have a valid travel document with a visa issued by a consular authority from one of the countries in the Schengen Area. The visa enables free movement in the Schengen Area.
- › Third-country nationals subject to a visa obligation who wish to stay in Luxembourg for more than 3 months must apply for a long-stay visa. Before applying for a long-stay visa, the applicant must first obtain a temporary residence authorisation by filing a request to the Immigration Directorate of the Ministry of Foreign Affairs.
- › Exceptions apply particularly to all European Union (EU) and European Economic Area (EEA) citizens as well as to Swiss nationals. Since Brexit, UK nationals are considered third-country nationals and require the appropriate visa and work permit, unless specific bilateral agreements apply.

WORK PERMIT

- › Third-country nationals who have been authorised to legally reside in another Member State of the EU or in a EEA country or in Switzerland, and who wish to work in Luxembourg without residing there must apply for a work permit (a visa is necessary if they also want to live in Luxembourg). This also applies to UK nationals, unless exempted under particular post-Brexit arrangements.
- › Third-country nationals subject to a visa obliga-

tion who wish to work in Luxembourg during a stay of more than 90 days must also apply for a long-stay visa and must request beforehand a work permit from the Immigration Directorate of the Ministry of Foreign Affairs.

- › Third-country nationals are subject to a labour market test following which the employer declares the vacant position with the national employment agency (Agence pour le développement de l'emploi – ADEM) which checks, before validating the position, whether it can be filled by an individual available on the national or European labour market.
- › Highly-qualified employees are not subject to the labour market test, but the employer still needs to declare the vacant position.

REGISTRATION

- › After entering Luxembourg, third-country nationals must file a declaration of arrival to the municipality of residency within 3 days following their arrival in the country.
- › In the case of a stay longer than 3 months, third-country nationals must also request a residence permit from the Immigration Directorate of the Ministry of Foreign Affairs and undergo a medical check.
- › Exceptions apply particularly to all EU and EEA citizens as well as to Swiss nationals and may also apply to UK nationals.

Employer's Obligations

START OF EMPLOYMENT

- › Before the start of the employment of a third-country national, the employer must file a declaration of vacant position to the Luxembourg employment administration, which will first check whether a suitable candidate is available on the local market. If the job position is not filled by the national employment agency within 3 weeks, then a certificate allowing the hiring to proceed will be submitted to the employer.
- › For social security purposes, the employer must register the employee with the competent social security authority.

- › The employer must obtain the employee tax card to withhold the correct amount of wage tax.
- › All posted employees must possess a Social Badge during their employment in Luxembourg. The Luxembourg Labour Inspection (Inspection du Travail et des Mines – ITM) issues this badge, which provides access to detailed information about the employee and must be readily available at the workplace.
- › For employees temporarily posted to Luxembourg from another EU or assimilated country, the employer must obtain an A1 certificate. This document confirms continued coverage by the social security system of the home country and must be submitted electronically.

DURING EMPLOYMENT

- › The employer must withhold wage tax each month.
- › The employer must withhold/pay social security contributions each month.
- › The employer must prepare and submit an annual wage tax certificate as well as a social security certificate.
- › In cases of cross-border teleworking or regular work in multiple EU-countries, the employer must ensure that an A1 certificate is obtained to confirm the applicable social security legislation for the employee.

TERMINATION OF EMPLOYMENT

- › The employer must prepare and submit a final wage tax certificate as well as a final social security certificate for the work period within the calendar year.



Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	28,64%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	15,71%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
45,78%	45,78%	45,78%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	12,45%
Employer	11,96%

Social Security Agreements (SSA)²

Argentina, Brazil, China,
Canada (including Quebec),
Korea, USA,
India, Japan,
Philippines,
Turkey,
and SSAs with 11 further countries

¹ Excluding fringe benefits such as housing.



Netherlands

Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status. The following 3 (so-called) boxes apply.
- › Box 1 includes income from work and home ownership. This includes employment and entrepreneurial income as well as home ownership of a principal residence. The tax rate is progressive ranging from 9.45% to 49.50%. Taking into account 27.65% social security premiums on the first € 35,129, effectively € 37,10% is levied on the first € 68,507 and 49.50% on the income above € 68,507.
- › Box 2 includes income from a substantial interest, taxed at a flat rate of 26.9%.
- › Box 3 includes (deemed) income from savings and interest. The deemed income ranges from 0.03% to 5.69%, depending on the fair market value of the total assets as per 1 January of the tax year. The deemed income is taxed at a flat rate of 31%, taking into account a tax exempt base of € 50,000 per person.
- › The tax year is the calendar year.
- › The filing deadline for the annual personal income tax return: the return needs to be filed before 1 May of the year following the tax year. Extensions of a couple of months are possible up to one year when filed by a tax advisor.
- › As from 1 March after the tax year, resident tax payers can download their tax return from the tax authorities, website, including the information already known by the Dutch tax authorities.
- › In general, employment income is subject to a monthly withholding tax (i.e. wage tax).
- › Foreign tax-exempt income may be considered for calculating the personal income tax rate (progression clause).

Social Security

Social security contributions are compulsory and generally apply to all employees working in the Netherlands. The contributions are based on the monthly employment income.

EMPLOYEE

- › An employee is required to pay contributions of

17.9% to the state old-age pension ("AOW"), 0.1% to the survivor pension ("ANW") and 9.65% to the long-term nursing care insurance ("WLZ") up to an annual income ceiling of € 35,129. The premium amounts to a maximum of € 9,713 (27.65% of € 35,129).

- › In addition, a private health insurance is required of which the monthly premium amount to around € 125 per month depending on the coverage of the insurance and the policy excess.

EMPLOYER

- › An employer is required to pay contributions for unemployment, disability and health insurance. Some of the premiums partially depend on the size and industry of the employer. The premiums include:
 - › WW: 2.7% for employees with a written labour contract for an indefinite period of time, 7.7% in other cases.
 - › WAO/WIA: 7.53%, including 0.5% child day care allowance;
 - › WHK: 1.36% on average, and;
 - › ZVW: 5.75% – 7%.
- › Premiums are due on the employment income of an employee up to an annual income ceiling of € 58,311. For large employers (more than € 3,460,000 premium wage) in the Netherlands different premiums (WHK) may apply. There is a possibility to self-insure the WHK premiums, taking over the obligation to pay the disabled or ill employee.
- › The employer is liable for the payments on a monthly basis. The employer contributions are generally tax-free.
- › Work accident insurance contributions are borne by the employer.

Immigration

VISA

- › Any foreigner who works as an employee in the Netherlands must have a valid residence and work permit.
- › Exceptions apply to all EU and European Economic Area (EEA) citizens and to Swiss (CH) nationals.

WORK PERMIT

- › According to the Dutch Foreign Employment Act, an employer needs to be in possession of a work permit for a non-EEA national (excluding Swiss nationals) who will perform work activities in the Netherlands.

REGISTRATION

- › Upon arrival in the Netherlands, all foreigners must register at the town hall of the municipality where they will live. They register as a resident or temporary resident. After registration, the foreigner will receive a Citizen Service Number ("Burgerservicenummer", BSN, i.e. also the Dutch tax number).

Employer's Obligations

START OF EMPLOYMENT

- › Obtain the correct work permit (if applicable).
- › If the employer is in the European Economic Area (EEA) or in Switzerland, as from 1 March 2020, the obligation exists to notify the Dutch authorities of a temporary posting of an employee in the Netherlands through the Dutch online notification portal.
- › Identify the employee and administer the required personal details of the employee, including a copy of passport and a copy of the certificate of coverage (A1/E101 declaration) when relevant.
- › Obtain a 30% ruling when possible, reducing the wage tax/personal income tax.
- › Arrange for Dutch acceptance of foreign pension scheme (if applicable).

DURING EMPLOYMENT

- › The Dutch legal or economic employer must withhold Dutch wage tax monthly, including Dutch social security premiums when relevant.
- › Allocate the employee's remuneration in taxable and non-taxable portions.
- › Prepare an annual wage tax certificate ("Jaaropgaaf").
- › Administer cost reimbursements and allowances (also in kind) to determine the (non-)taxation monthly
- › or annually ("Werkkostenregeling").
- › In 2021, specific facilities exist to reduce the impact of Covid-19, such as (wage)subsidies, postponement of tax payments and the release of the blocked account ("G-rekening").

TERMINATION OF EMPLOYMENT

- › Cancel the work permit for the employee (if applicable).
- › Prepare and submit final a wage tax certificate ("Jaaropgaaf") for the work period within the calendar year.
- › Determine in advance the timing of the final wage/bonus/redundancy/option payment(s).



¹ All numbers are regarding the year 2021

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	40,63%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	40,63%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income

Tax Rates for the past 3 years

2023	2024	2025
49,50%	49,50%	49,50%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	27,65%
Employer	±18,59%

Social Security Agreements (SSA)²

Argentina
Australia
Canada
China
India
Indonesia
Japan
South Africa
Türkiye
USA

² Excluding fringe benefits such as housing.



Personal Income Tax

- › Individuals are taxed on income, depending on source/residency status.
- › The tax rate is progressive and ranges from 22.00 – 39.70% for salaries. Investment income is taxed with a general flat tax rate of 22.00% and dividend/gain at shares at a flat rate of 37.84%.
- › Annual tax-free threshold up to NOK 200,550 – (single filing). Joint filing is not applicable.
- › The tax year is the calendar year.
- › Filing deadline for the annual income tax return is 30 April of the year following the tax year. Extensions are possible until 3 May and up to 30 June for tax returns with the assistance of a tax advisor.
- › Employment income is subject to a monthly withholding tax (in general).
- › Tax-exempt income may be considered for calculating personal tax rate (progression clause).
- › A PAYE scheme is applicable for an income not exceeding NOK 697,150. The rate is 17.3% plus social security contribution. Note that the gross income is usually higher under the PAYE scheme than under ordinary taxation.

Social Security

Social security contributions are compulsory and generally apply to all employees working in Norway. The contributions are based on the monthly employment income (including fringe benefits).

EMPLOYEE

- › An employee is required to pay contributions to pension insurance, unemployment, health and nursing care insurance. The rate is 7.70% of the gross salary.
- › For self-employed, the rate is 10.90%.
- › For pension and life annuities, the rate is 5.10%.
- › For individuals under 17 or over 69, the rate is 5.10%.
- › Income below NOK 99,650 is exempt from contributions. For income above NOK 99,650 the contribution can not exceed 25% of the income in excess of this threshold.
- › EEA regulations can exempt the employee from paying social security contribution in Norway, if covered by the social security scheme in their

home country. Other rules may be applicable for employees outside the EEA.

EMPLOYER

- › The payroll taxes are generally 14.10%.
- › For employers that perform the business in northern Norway and certain provinces a lower rate between 0.00% and 10.60% is applicable.
- › Exemption is applicable for employees within EEA that are covered by the social security scheme in their home country. Other exemptions may be applicable for employees outside the EEA.

Immigration

VISA

- › For citizens of some countries a visa is required to enter Norway. When a visa is issued, a residence permit including the right to work – prior to arrival in Norway – is automatically issued with an entry visa.

WORK PERMIT

- › As a rule, any foreigner who wants to work as an employee in Norway must first obtain a residence permit allowing them to work in Norway.
- › Exceptions apply to all citizens of the Nordic countries. Citizens of these countries do not need a residence permit of any kind.
- › Exemptions also apply to technical experts and employees of multinational enterprises who will work in Norway for less than three months.

REGISTRATION

- › Nordic citizens only need to report the move to Norway to the National Registration Office.
- › Citizens of the EU, European Economic Area (EEA) and Swiss (CH) nationals are obliged to register with the police no later than three months after arrival in Norway.
- › Citizens from countries outside EEA are obliged to register with the police no later than 30 days after arrival in Norway
- › Employees of foreign companies in another EU/EEA country need to file a notice to the police if the stay in Norway will last for more than three months.
- › Technical experts need to file a notice to the police

before arrival in Norway.

- › Registration with the Tax Office for an ID check and to obtain a withholding tax card is mandatory.

Employer's Obligations

START OF EMPLOYMENT

- › Contracts and subcontracts awarded to an enterprise resident abroad must be reported to the Tax Authorities by filing of the form RF-1199. Employees used to carry out the assignment have also to be reported to the Tax Authorities on the same form within 14 days after the work has started.
- › Obtain the tax withholding card either from the employee or electronically from the tax authorities. If a tax withholding card is not available (e.g. the employee has not made an application), the withholding tax rate is 50%.

DURING EMPLOYMENT

- › Withhold wage tax on a monthly basis by the Norwegian employers (meaning any contractual or economic employer whose registered headquarters is located in Norway). Deduction for the social security contributions (if applicable) is included in the tax withholding card.
- › Allocate the employee's remuneration in taxable and non-taxable portions.
- › Issue Norwegian pay slips.
- › Monthly reporting to the Norwegian tax authorities.

TERMINATION OF EMPLOYMENT

- › Filing of form RF-1199 to the Tax Authorities for termination of the employment.

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	25,5%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	25,5%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income

Tax Rates for the past 3 years

2023	2024	2025
39,5%	39,6%	39,7%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	7,70%
Employer	14,10%

Social Security Agreements (SSA)²

Australia
Canada
Chile
India
Israel
Türkiye
United Kingdom
USA
EEA, Coordination of social security systems

¹ All fringe benefits such as housing etc. are subject to SSC/ PT while covered by the Norwegian Social Security Scheme.

Poland

Personal Income Tax

- › Individuals are taxed on income depending on source and residency status.
- › The tax rate is progressive (annual taxable income up to PLN 120,000 is taxed at the rate of 12% and the excess is taxed at the rate of 32%), except for capital gains with a flat tax rate of 19% and specific income of non-residents with a flat tax rate of 20%.
- › Tax-free threshold amounts to PLN 30,000.
- › The tax year is the calendar year.
- › The deadline for the annual tax payment and filing the annual income tax return is between 15 February and 30 April of the year following the tax year.
- › Employment income is subject to a monthly withholding tax (in general).

Social Security

Social security contributions are compulsory and generally apply to all employees working in Poland. The contributions are based on the monthly employment income, except for health insurance contributions based on the monthly employment income less: pension and disability insurance contributions payable by the employee and sickness insurance contributions. Furthermore, Poland introduced Employee Capital Plans (PPK), which is a voluntary system of long-term savings for retirement purposes. PPK is based on different assumptions and was not included in the social security burden presented here.

EMPLOYEE

- › The employee is required to pay contributions towards:
 - › pension (9.76%) and disability insurance (1.5%) up to an annual income ceiling (gross income of PLN 260,190 in 2025).
 - › sickness (2.45%) and health (9%) insurance – irrespective of the employee's income level.

EMPLOYER

- › The employer is required to pay contributions towards:
 - › pension (9.76%) and disability insurance (6.5%) up to an annual income ceiling (gross income of PLN 260,190 in 2025).

- › accident insurance (ranges from 0.4% to 3.33%, depending on sector of employer's activity and number of employees), labour fund (2.45%) and employee benefits fund (0.1%) irrespective of the employee's income level.
- › As a rule, the employer is liable for all the payments each month. The employer's contributions may be considered as tax-deductible expenses, provided that statutory requirements are met.

Where one is not covered by social security on a mandatory basis, one may access the pension, disability and health insurance system on a voluntary basis.

Immigration

VISA

- › As a rule, a foreigner who wants to work as an employee in Poland must first obtain a visa to enter Poland.
- › Exceptions apply to a number of countries, including in particular all EU and European Economic Area (EEA) citizens and Swiss (CH) nationals.

WORK PERMIT

- › To be allowed to work in Poland, as a rule, third-country nationals (meaning nationals other than EU/EEA/CH) must apply for a residence permit and/or work permit, depending on the specific case.
- › An exception is provided for citizens of Armenia, Belarus, Georgia, Moldova, Russian Federation and Ukraine. No work permit is required, provided that the employer fulfils certain reporting obligations and work is performed up to 6 months in any 12-month period.

REGISTRATION

- › Registration at the place of temporary residence ("zameldowanie na pobyt czasowy"):
 - › EU/EEA/CH citizens staying in Poland for at least 3 months within 30 days from the date of arrival in Poland;
 - › third-country nationals (meaning nationals other than EU/EEA/CH) staying in Poland for at least 14 days within 4 days from the date of arrival in Poland.
- › Registration of stay ("rejestracja pobytu"):
 - › EU/EEA/CH citizens staying in Poland for at least 3 months at the latest on the day following that 3-month period.

Employer's Obligations

START OF EMPLOYMENT

- › Check (before start of work) the document authorising the employee to stay in Poland.
- › Obtain work permit for the employee (if applicable).
- › Register the employee for social security purposes at the relevant social security authority.
- › Submit a statement to the National Labour Inspectorate (if the employer is domiciled outside Poland and certain conditions are fulfilled).

DURING EMPLOYMENT

- › Withhold wage tax each month.
- › Withhold social security contributions each month for the employee.
- › Prepare and submit an annual wage tax certificate (PIT-11) (Polish employers only).
- › Keep employee's records in the territory of Poland over the period of secondment and 2 years afterwards for the purpose of an audit by the National Labour Inspectorate (foreign employers only), if additionally certain conditions are fulfilled.

TERMINATION OF EMPLOYMENT

- › Report termination of employment to the authorities that issued the work permit (if applicable).
- › Deregister the employee from the social security system.

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	22,25%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	15,26%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
32%	32%	32%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	17,43%
Employer	13,43%

Social Security Agreements (SSA)²

Australia, Canada, Ukraine, USA, South Korea, Mongolia, Israel (as of 1 May 2021), Moldova, Republic of Macedonia, Türkiye (as of 1 June 2021), Belarus (as of 1 April 2022)

² Excluding fringe benefits such as housing.



Portugal

Personal Income Tax

- › Resident individuals are subject to personal income tax (PIT) on a worldwide basis, which means that any income obtained by a resident individual shall be subject to PIT, regardless of its source (Portuguese or foreign). Non-resident individuals are subject to PIT on all Portuguese-sourced income.
 - › Generally speaking, an individual is considered to be resident in Portugal if he/she either: (i) remains in the Portuguese territory for more than 183 days, consecutively or not, in any 12-month period beginning or ending in the relevant calendar year; (ii) though remaining for less than 183 days, in any 12-month period of the relevant year, has accommodation in circumstances that indicate an intention to keep and occupy it as a habitual residence; (iii) on 31 December of any given year, is a crew member of vessels or aircrafts operated by entities with a residence, head office or place of effective management in Portuguese territory; (iv) performs public duties for the state abroad.
 - › PIT applies to specific items of income that are expressly defined in the PIT code: employment income, business and professional income, capital income (dividends, interest, royalties), real estate income, net worth increases (e.g. capital gains from the sale of real estate property or securities, proceeds from the liquidation of companies, non-compete compensations) and pensions.
 - › While the special NHR regime has been abolished by the Portuguese Government in 2024, a new special regime targeted towards scientific investigation and innovation/development related professionals, comprehending individuals who move to Portugal from abroad, has been approved (commonly referred to as the NHR 2.0.).
 - › The NHR 2.0. allows for reduced taxation for individuals who move their tax residency from abroad to Portugal, if such individuals have not been qualified as Portuguese tax residents in any of the previous 5 years, over income received on account of employment relationships or provision of services carried out in Portugal, if certain additional conditions are met. Income derived from the activities listed below may be taxed in accordance with the rules of the regime in question:
 - › Teaching careers in higher education and scientific research for entities integrated in the national science and technology system;
 - › Jobs and members of governing bodies with contractual benefits related to productive investment specifically established in Portuguese law;
 - › Highly-qualified professions developed in:
 - › Companies that are benefiting (or have benefited in the last 5 years) from the tax regime to support investment (RFAI);
 - › Eligible industrial and service companies which export (or have exported in the last 2 years) at least 50% of their turnover.
 - › Research and development jobs for employees whose costs are eligible for the purposes of the system of tax incentives for research and development (SIFIDE);
 - › Jobs and members of governing bodies who carry out economic activities recognized by AICEP or IAPMEI as relevant to the national economy; and
 - › Jobs and members of governing bodies in entities certified as startups.
- Special rules exist for individuals who become residents in the regions of Açores and Madeira. Eligible professions mentioned above are:
- › Directors and managers
 - › Science specialists (physics, mathematics, engineering, etc.)
 - › Equipment and industrial designers
 - › Medical Doctors
 - › University level (or above) professors
 - › Information and communication technology specialists
- Moreover, the regime also provides for an exemption of foreign-sourced income (except pensions and income obtained in black-listed jurisdictions) The regime is applicable for 10 years, as long as the individuals continue to obtain eligible income in each year, and allows for such income to be subject to PIT at the reduced rate of 20% and to reduced withholding tax.
- › As a general rule, PIT tax rates are progressive, ranging from 13% to 48%. For taxable income between € 80,000 and € 250,000 an additional surcharge of 2.5% applies whereas for taxable income higher than € 250,000 an additional surcharge of 5% is also applicable. However, a flat tax rate may apply to certain types of income (interest, dividends and rental income).

- › Income obtained by non-resident individuals is usually subject to final withholding tax rates which vary between 25% (employment income, business and professional income) or 28% (capital income such as dividends and interest). However, rental income and gains from the sale of real estate are subject to a special tax rate of 28% and require non-resident individuals to file a tax return.
- › The PIT tax year coincides with the calendar year. Taxpayers must submit PIT returns between 1 April and 30 June of the following year. After the tax authorities' assessment, PIT must be paid (or reimbursed) by 31 August of the same year.
- › Any taxes withheld on Portuguese-sourced income received by resident or non-resident taxpayers must be submitted to the Portuguese tax authorities within the first 20 days of the month following the payment date.

Social Security

As a general rule, employers, employees and directors of a company are liable to pay social security contributions. To determine the contributions from both the employer and the employee for social security purposes, the gross remuneration due from the performance of a professional activity or arising from an employment contract termination is considered to be the chargeable basis. For this purpose, remuneration is considered to be all the payments, in cash or in kind, granted to employees as a result of their work, according to the employment contract, the labour legislation or the traditional practice on this matter, with the exception of certain specific benefits.

EMPLOYEE

- › Employees and directors are liable for social security contributions of 11% on the gross remuneration received
- › Under the applicable social security rules, the contributions made by the employer and the employee cover sickness, professional sickness, parenthood, unemployment, disability, old age, widows and orphans.

EMPLOYER

- › The employer is liable for social security contributions at a rate of 23.75% applicable on the gross remuneration of the employee. Such contributions together with the amounts withheld from the employee's salary should be submitted to the social security on a monthly basis.

Immigration

VISA

- › With the exception of nationals of the EU and European Economic Area citizens (EEA) (exempted from visa procedures, apart from a registration within the municipality of their area of residence), as a general rule, third-country nationals are required to apply for a temporary visa in order to obtain a residence permit if they wish to remain in Portugal for more than 180 days.

WORK PERMIT

- › Work residence permits (such as the regular work permit, the tech visa, the residence permit for teaching activities, highly qualified activities or cultural activities) are mandatory for third-country nationals who wish to perform a professional activity in Portugal. Moreover, the holders of a residence permit for investment activities (also known as Golden Visa permit) are allowed to perform a professional activity in Portugal.

REGISTRATION

- › EU and EEA nationals and third-country nationals should also register with the Portuguese tax authorities (to apply for a tax identification number), social security office (to obtain a social security number) and the national health system (to be issued a user number).

Employer's Obligations

- START OF EMPLOYMENT**
- › Employment agreements should be communicated to the labour and social security authorities.
- DURING EMPLOYMENT**
- › Withhold personal income tax and social security contributions as applicable .
 - › Professional training.
 - › Health and safety concerns.
- TERMINATION OF EMPLOYMENT**
- › Communication of the termination agreement to the social security authorities.
 - › Payment of the legal compensation, if applicable.
 - › Ensure access to unemployment benefits.

¹ Simulation of effective tax rates for the described assumptions, which are subject to variation based on the personal circumstances of individuals (e.g. applicable deductions, other types of income received, eligibility for other tax benefits, etc.)

² Progressive tax rates applicable to tax residents in Portugal (e.g. employment income).

³ Plus an additional solidarity tax of 2.5% (for income above €80,000) or 5% (for income above €250,000).

⁴ Plus an additional solidarity tax of 2.5% (for income above €80,000) or 5% (for income above €250,000).

⁵ Plus an additional solidarity tax of 2.5% (for income above €80,000) or 5% (for income above €250,000).

⁶ Certain fringe benefits may be excluded.

Comparisons

Taxation of Fringe Benefits	
Housing	B
Home Flights	B
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates ¹	
Single, no children	32,41%
Employment Gross Income ² 100,000 EUR p.a.	
Married, 2 children	22,51%
Employment Gross Income ² 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years		
2023	2024	2025
48% ³	48% ⁴	48% ⁵

Social Security Rates	
Employment Gross Income ⁶ 100,000 EUR p.a.	
Employee	11%
Employer	23,75%

Social Security Agreements (SSA)

Andorra, Argentina, Australia, Brazil, Cape Verde, Canada/Quebec, Chile, Morocco, Mozambique, USA, Morocco, Mozambique, USA, Uruguay, Venezuela, Tunisia, Ukraine, India, United Kingdom, Moldova



Romania

Personal Income Tax

- › Residents and non-residents are taxed on income depending on their fiscal residency status and the source of the income.
- › Income is taxed at a flat rate of 10%.
- › The tax year is the calendar year.
- › A Romanian employer is obliged to calculate, withhold, declare and pay to the state budget the tax on income on a monthly basis, by the 25th of the following month. In the case of foreigners seconded to Romania, the individuals are obliged to declare and pay each month the tax on income to the state budget by the 25th of the following month.

Social Security

- › Social security contributions are due, both by the individual and the company. The employer is obliged, based on the gross salary of the employee, to calculate, declare and pay monthly contributions by the 25th of the following month.
- › In the case of EU secondment agreements or pluri-activity, the individuals can be exempted from paying social security contributions provided that they can submit an A1 form valid for the period of their assignment, certifying that respective individuals are subject to the social security system in their home country. If such a certificate cannot be submitted, social security contributions are due in Romania.

EMPLOYEE

- › The withholdings from the salary are as follows: health insurance contribution (10%) and social security contribution (25% for normal working conditions).

EMPLOYER

- › An employer is required to pay the following contribution: labour insurance contributions (2.25%).
- › Any employer with more than 50 employees must also pay a contribution for the non-employment of disabled persons calculated as 4% x number of employees x the minimum gross salary. Alternatively, the employer must pay a contribution of 4% x number of employees x 50% of the minimum gross salary, plus to acquire products from entities em-

ploying disabled persons for the difference until the first mentioned amount.

Immigration

- VISA**
- › EU/EEA/Swiss nationals do not need a visa to enter Romanian territory. However, if the stay exceeds 90 days within a 6-month period, the individual must obtain a registration certificate from the General Inspectorate for Immigration.
 - › Nationals of the USA, Japan, Canada and of the states listed in Annex II of EC Regulation 539/2001 are visa-exempt for a short stay only. For stays over 90 days, a long-stay visa must be obtained from the Romanian consulates abroad.
 - › No Romanian visa is required for: holders of valid Schengen visas for short- or long-term stays, holders of permanent residence permits issued by an EU member state, nationals of states with which Romania has signed agreements in this respect, as settled in these agreements.

- WORK PERMIT**
- › EU/EEA/Swiss nationals do not need a work permit.
 - › A work permit is compulsory for non-EU/EEA/CH nationals working in Romania. The work authorisation is granted at the employer's request by the Romanian immigration authorities and is required when obtaining a long-term visa or residence permit for employment or assignment purposes. A foreigner who moves from one company to another must obtain a new work authorisation.

- REGISTRATION**
- › All foreigners exceeding 90 days of stay in Romania must register at the local immigration office regardless of whether or not they obtain revenue in Romania. The immigration office will grant an identification number, which will be used when submitting the tax returns.
 - › In the case of secondment agreements, the individuals must register also as taxpayers with the relevant tax authorities.
 - › In 30 days after accomplishing 183 days of presence in Romania, the foreigner must complete and submit to the tax authorities a questionnaire for determining their fiscal residence status.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain a work permit and correct working visa type for the individual (if applicable).
- › In the case of local labour agreements, the Romanian resident employer must declare the labour contract to the labour authorities not later than one day prior to the commencement date of the contract.
- › In the case of secondment agreements, the Romanian entity where the employee is assigned to submit a statement to the tax authorities regarding the secondment no later than 30 days from the commencement date of the contract.
- › In the case of secondment agreements, the non-resident employer must submit a statement to the labour authorities within at least 5 days before the starting date of the assignment.

DURING EMPLOYMENT

- › Calculate, withhold, declare and pay on a monthly basis the tax on income and social security contributions to the state budget, both for the employee and the employer.

TERMINATION OF EMPLOYMENT

- › Cancel the work authorisation for the employee (if applicable).
- › In the case of local labour agreements, declaring the termination of the contract to the labour authorities in the first non-working day.
- › In the case of secondment agreements, the Romanian resident employer must submit a statement at the tax authorities regarding the termination of the secondment no later than 15 days from the closing date of the contract.

Comparisons

Taxation of Fringe Benefits

Housing	B
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	10%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	10%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
10%	10%	10%

Social Security Rates

Employment Gross Income¹ 100,000 EUR p.a.

Employee	35%
Employer	2,25%

Social Security Agreements (SSA)²

Canada
Israel
Albania
Macedonia
Moldova
Serbia
Türkiye
Quebec
Korea
Chile
Uruguay

²Excluding fringe benefits such as housing.



Serbia

Personal Income Tax

- › Individuals who are resident in Serbia are taxed on their worldwide income, non-residents are taxed on their Serbia-sourced income.
- › The tax rate is 10%.
- › Tax residents of Serbia have the right to a tax deduction for tax paid abroad.
- › The tax year is the calendar year.
- › Employment income is subject to a monthly withholding tax.
- › The additional annual personal income is prescribed for net income above EUR 41,620. Tax return has to be filed by 15 May for the previous year. The annual personal income tax is progressive, the tax rate is 10 or 15%.

Social Security

- › Social security contributions generally apply to all employees working in Serbia.
- › The basis for the contribution calculation is the monthly employment gross income if the gross salary is below € 5,605.
- › If the prescribed contribution base is above the maximum monthly contribution base, the calculation and payment of contributions shall be performed for the highest monthly contribution base.

EMPLOYEE

- › Social security contributions with respect to employment income that are withheld from the gross salary (employee's burden) are as follows:
- › 14% state pension fund contributions,
- › 5.15% healthcare contributions,
- › 0.75% non-employment contributions.

EMPLOYER

- › Social security contributions paid by the employer in addition to the gross salary:
- › 10% state pension fund contributions,
- › 5.15% healthcare contributions.

Immigration

VISA

- › A foreigner who wants to work as an employee in Serbia must first obtain a visa D to enter Serbia.

- › To be allowed to work in Serbia, the foreigner can apply for a visa D at the Serbian consulate abroad.

WORK PERMIT

- › To be allowed to work in Serbia, the foreigner can apply for a work permit from the Serbian consulate abroad or at the offices of the National Employment Service in Serbia.

REGISTRATION

- › Upon arrival in Serbia, all foreigners must be registered at their local registration office of the Ministry of Internal Affairs within a specific period of time. If foreigners want to obtain a temporary residence permit, they must submit the required documentation to the office of the Ministry of Internal Affairs.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain the correct work permit type for the employee if it is required.
- › Conclude an employment contract with the employee.
- › Register the employee for social security at the relevant social security register.

DURING EMPLOYMENT

- › Withhold wage tax each month.
- › Withhold social security contributions each month for the employee, provided the employee is not subject to social security in another country.
- › Allocate the employee's remuneration in taxable and non-taxable portions.

TERMINATION OF EMPLOYMENT

- › Cancel the work permit for the employee if it is needed.
- › Deregister employee from the relevant social security register.
- › Prepare documentation for the termination of employment.



Comparisons

Taxation of Fringe Benefits

Housing	B
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	10% – 15%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	10% – 15%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
10% – 13%	10% – 13%	10% – 13%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	13%
Employer	10%

Social Security Agreements (SSA)²

Germany	Austria
Russia	Australia
China	Belgium
Canada	Greece
Untied Kingdom	Netherlands
Austria	Hungary
Italy	Switzerland
Croatia	Sweden
France	Poland
Turkey	Denmark etc.

¹ Excluding fringe benefits such as housing.



Slovenia

Personal Income Tax

- › Individuals are taxed on income received, depending on the source and residency status.
- › The tax rate is progressive and ranges from 16% with the tax base of € 9,210 to 50% with the tax base of € 78,016 p.a. (except for investment and rental income with a general flat tax rate of 25%).
- › Income not exceeding tax allowances is not taxable (applicable only for resident taxpayers. Non-resident taxpayers are entitled to tax allowances only under certain conditions).
- › The tax year is the calendar year.
- › The filing deadline for the annual income tax return: pre-filed annual tax returns are sent to resident taxpayers on 31 March or 31 May for the previous tax year. If they do not appeal it within 15 days of receipt, the pre-filed return is considered to be the final income tax return. If a resident taxpayer has not received the pre-filed annual tax return by 15 June of the following year, they must submit an annual tax return. A non-resident taxpayer neither receives a pre-filed annual tax return nor is obliged to submit an annual tax return unless they claim tax allowances (subject to certain conditions). The final deadline for the annual tax return submission is 31 July of the following year.
- › Employment income is subject to a monthly withholding tax.
- › Tax-exempt income may be considered for calculating the personal tax rate (progression clause).

Social Security

Social security contributions are compulsory and generally apply to all employees working in Slovenia. The contributions are calculated as a percentage of the gross monthly employment income.

EMPLOYEE

- › An employee is required to pay contributions to the old-age pension scheme (15.5%), unemployment (0.14%), health (6.36%), long-term care allowance (1.0%) nursing care (0.1%) insurance, in total 23.1%. Additionally, there is also the lump-sum additional health contribution of € 37,17.
- › There is no cap on paying social security contributions.

EMPLOYER

- › An employer is required to pay contributions to the old-age pension scheme (8.85%), unemployment (up to 0.06%), health (6.56%), nursing care (0.1%) and acci- dent at work (0.53%) insurance. In total up to 16.10%.
- › The employer is liable for employees' and employers' payments each month. The employer contributions are generally tax-free.
- › There is no cap on paying social security contributions.

Immigration

VISA

- › Any foreigner who wants to work as an employee in Slovenia must first obtain a visa to enter Slovenia.
- › Exceptions apply to all EU and European Economic Area (EEA) citizens and to Swiss (CH) nationals. Exceptions apply also to nationals of the countries of North America, most countries in South America, most Balkan states, Japan, Australia, New Zealand, Israel and the UAE.

WORK PERMIT

- › In general, foreigners who want to work in Slovenia (or stay more than 90 days) must obtain a temporary residence permit or a unified residence and work permit. At the same time, the temporary address in Slovenia should be registered. Depending on the type of permit, it may be applied for at the Slovenian consulate abroad or at appropriate administrative office in Slovenia. In some cases, the employer of the foreigner may be eligible to apply for the permit in the name of the foreigner.

REGISTRATION

- › A foreigner who registers their temporary address in Slovenia obtains a Slovenia tax ID automatically. They should amend their file with the financial administration with additional information – not part of the temporary address registration. If a foreigner does not register their temporary address in Slovenia and receives taxable income in Slovenia, they should obtain a Slovenia tax ID themselves. If the foreigner stays in Slovenia for a longer period of time, they should consider their tax residency status.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain a correct visa type/work permit for an employee (if applicable).
- › Employer must register on an e-taxes application (if not registered yet) in order to arrange all necessary monthly reporting.
- › Register the employee with the compulsory social security system on the online platform SPOT.

DURING EMPLOYMENT

- › Withhold income tax on a gross monthly basis by the Slovenian employers (meaning any formal employer whose registered seat is located in Slovenia or a foreign employer having a PE in Slovenia for corporate tax purposes).
- › Withhold social security contributions on a monthly basis for the employee (meaning any formal employer whose registered seat is located in Slovenia).
- › Allocate the employee's remuneration in taxable and non-taxable portions.
- › Carry out the applicable annual reporting to the Financial Administration and Pension and Disability Insurance Institute, unless this process is automatic.
- › Prepare an annual report on income received for tax purposes and a notice of annual leave entitlement. Both reports must be sent to the employees via e-mail or via normal post.

TERMINATION OF EMPLOYMENT

- › Terminate the employee's work permit (if applicable).
- › De-registration of the employee from the compulsory social security system online.
- › An annual report on income received and a notice of annual leave entitlement shall be prepared.

Comparisons

Taxation of Fringe Benefits

Housing	B
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	31,83/32,64%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	31,16/32,64%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
50%	50%	50%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	23,1%
Employer	16,1%

Social Security Agreements (SSA)²

Australia
Bosnia and Herzegovina
North Macedonia
Montenegro
Serbia

¹ Excluding fringe benefits such as housing.



Spain

Personal Income Tax

- › Spanish residents are subject to the Spanish personal income tax based on their worldwide income according to the progressive scale of rates. The scale may differ depending on the region in which the taxpayer lives. The maximum marginal tax rate is 54%.
- › Foreign tax residents are only subject to tax in Spain on their Spanish source income, at a flat tax rate of 24% for non-EU countries residents, or at a flat rate of 19% for EU countries residents.
- › Employment income is subject to withholding tax in Spain if these earnings originate from work carried out in Spain.
- › The Spanish residents must file the personal income tax return in April-June following the end of the tax year.
- › Non-Spanish tax residents may be obliged to file tax returns in Spain depending on the type of income obtained in the Spanish territory. If only employment income is obtained in Spain, they are not obliged to file a final income tax return, unless their taxes have been withheld in excess during the tax year. In this case, they should file a final income tax return claiming the refund of the amounts withheld in excess by the employer.
- › A special tax regime is applicable to workers posted to Spain ("Beckham law"). Under this regime, the new Spanish resident may be taxed as a non-Spanish resident. The choice applies in the year of arrival in Spain and continues for the following five years. By electing to be a non-resident, the liability of the taxpayer is only limited to the Spanish income and assets.

Social Security

Both the employee and employer must contribute to the social security system. Contributions are calculated on the employees' monthly salary of the previous month. Nevertheless, monthly salaries are capped at € 1,050.00 downwards and at € 4,070.10 upwards (as of the year 2025) when calculating social security contributions.

EMPLOYEE

- › Employee's contributions represent around 6.35%

of the social security contribution base.

EMPLOYER

- › Employer's contributions represent up to 30.57% of the employee's social security contribution base.

Immigration

VISA

- › In general, all foreign individuals intending to work in Spain must first obtain a visa or a residence permit to enter Spain, unless they are exempted.
- › Exceptions apply to all EU and EEA nationals as well as to Swiss citizens.

WORK PERMIT

- › Generally speaking, EU citizens are able to work in Spain without holding any work permit.
- › To be allowed to work in Spain, non-EU nationals (meaning other than EU/EEA/CH nationals) must hold one of the 7 different work permits issued by the Spanish immigration services.

REGISTRATION

- › Upon arrival in Spain, non-EU residents must register with the Spanish immigration services.

Employer's Obligations

START OF EMPLOYMENT

- › Foreign tax resident employers are obliged to apply for a Spanish ID number for tax purposes before contracting employees under the Spanish law and to register with the social security authorities.
- › The employer is responsible for applying for the employee's corresponding work permit before the start date of the employment relationship.
- › The employer is responsible for registering its employees with the social security system before the starting date of the employment relationship.

DURING EMPLOYMENT

- › A withholding tax is submitted on a quarterly or monthly basis by the employer, depending on its turnover. Non-residents at a rate of 19% or 24% (depending on the taxpayer being an EU-resident or not) and Spanish residents at a tax rate up to 47%.
- › The employer shall pay social security contribu-

- tions for its employees on a monthly basis.
- › At the end of each tax year, employers shall file informative returns including details of the employees' gross salary and the amounts withheld.

TERMINATION OF EMPLOYMENT

- › The employer must prepare settlement documentation to be signed by the former employee and deregister him/her at the social security authorities.



Comparisons

Taxation of Fringe Benefits

Housing	A
Home Flights	A
Education for children	A

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	31,42%
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	30,96%
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
54%	54%	54%

Social Security Rates

Employment Gross Income ¹ 100,000 EUR p.a.	
Employee	6,35%
Employer	30,57%

Social Security Agreements (SSA)²

Australia
Andorra, Russia, Ukraine
Cape Verde, Morocco, Senegal, Tunisia
USA, Canada, México.
China, South Korea, Japan
Cape Verde, Morocco, Senegal, Tunisia
Dominican Republic
Philippines

¹ Excluding fringe benefits such as housing.



Sweden

Personal Income Tax

- › Tax residents in Sweden are subject to tax on their worldwide income. Income from employment includes, inter alia, salary income, pensions, benefits and allowances.
- › Non-tax residents are normally subject to Swedish tax on remunerations received for work performed in Sweden as well as on certain pensions and other income sourced from Sweden.
- › Under Swedish tax law, a natural person is deemed as Swedish tax resident if:
 - › he/she is domiciled in Sweden (i.e. has their permanent home in Sweden);
 - › he/she has a habitual abode in Sweden, or;
 - › he/she has "essential ties" to Sweden and previously has been a Swedish tax resident.
- › Habitual abode ("stadigvarande vistelse") in Sweden normally requires that the person stays continuously for more than six months in Sweden.
- › Local communal tax is levied on employment income at rates ranging from 28.98% to 35.30%.
- › Annual employment income exceeding SEK 625,800 is subject to national tax at a flat rate of 20% (in addition to the local tax).
- › Employment income is taxed on a cash basis when the income is available/paid out to the employee.
- › If an individual is deemed resident abroad, a special income tax ("SINK") is payable on, inter alia, salary paid from a Swedish employer for the work conducted in Sweden. Tax is levied at a tax rate of 25%.
- › Capital (net) income is normally taxed at a rate of 30%.
- › The income tax year is the calendar year.
- › The filing deadline for the personal annual income tax return is 2 May following the income tax year (3 or 4 May if 2 May is on a Saturday/Sunday).

Social Security

Social security contributions are required and generally apply to all employees who perform work in Sweden.

SELF-EMPLOYED

- › Individuals that are self-employed sustain (apart from income tax) social security charges at a rate

of 28.97% 2025 based on their gross taxable remuneration.

- › Reduced rates (10.21%) apply for individuals born from 1938 to 1958. If the individual is born in 1937 or earlier, no social security contributions are levied (2025).

EMPLOYER

- › An employer is required to pay social security contributions on behalf of its employees, consisting of charges for pension, health insurance and other social benefits at a rate of 31.42% (2025).
- › Remuneration to employees born in 1937 or earlier is exempt from payroll tax and for employees born in the years 1938 to 1958, the employer only levy the retirement pension contributions, which amount to 10.21% (2021).
- › The liability to pay social security contributions (for employees belonging to the Swedish social security system) applies to both Swedish and foreign companies (regardless of whether or not the employer operates from a permanent establishment in Sweden).
- › The economic employer is liable to report and pay social security contributions monthly.

Immigration

VISA

- › In most cases, non-European (EU) and European Economic Area (EEA) citizens or Swiss (CH) nationals (CH) must obtain a visa to enter Sweden.
- › Non-EU/EEA/CH nationals are also required to hold a valid passport or identification document which states their citizenship.
- › Exceptions apply to all EU/EEA/CH nationals.
- › UK citizens may apply for a cross-border certificate when sent to perform work in Sweden.

WORK PERMIT

- › In most cases, non-EU/EEA/CH nationals will need to obtain a work permit and cannot enter Sweden until the permit has been granted.
- › EU/EEA/CH nationals are entitled to work in Sweden without a work permit.

REGISTRATION

- › If an EU/EEA/CH national intends to stay in Sweden for more than six months, the employee is required to register as a tax resident at the Swedish tax agency. The requirement also applies if the employee is taxable under SINK or if the employee performs work for a Swedish entity for more than 15 consecutive days or 45 days during a calendar year. Upon registration, the employee will be assigned a Swedish coordination number.

Employer's Obligations

START OF EMPLOYMENT

- › Non-EU/EEA/CH nationals must apply for a work permit. An application for a work permit must be accompanied by an offer of employment form issued by the Swedish employer.
- › The employer may not hire a non-EU/EEA/CH national to work in Sweden if they do not have a work permit.

DURING EMPLOYMENT

- › Monthly requirement to submit information to the Swedish Tax Agency regarding employees' income.
- › Must withhold preliminary income tax (both national and municipal income tax) on behalf of their employees. These amounts are preliminary until the tax agency's final decision the following year.

TERMINATION OF EMPLOYMENT

- › Employment contracts are valid until further notice unless otherwise agreed.

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children approx. 30-40%
Employment Gross Income¹ 100,000 EUR p.a.

Married, 2 children approx. 30-40%
Employment Gross Income¹ 100,000 EUR p.a.

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
56%	56%	55,3%

Social Security Rates

Employment Gross Income² 100,000 EUR p.a.

Employee	
Employer	31,42%

Social Security Agreements (SSA)²

Canada, Cape Verde, Chile, India, Luxembourg, Morocco Quebec, Türkiye, Switzerland, USA, et al.

¹ Every child from the age of six has equal access to free education in Sweden. Some boarding schools may take a fee for housing, which is a taxable benefit for the employee.
² Excluding fringe benefits such as housing.



Switzerland

Personal Income Tax

- › Individuals are taxed on income, depending on the source, residency status and domicile.
- › The tax rates are progressive, with maximum tax rates between 20% and 46% depending on the amount and domicile. Additionally, social security charges are due on employment income.
- › The employment income of foreign residents is generally subject to source tax.
- › Reduced rates may be applicable for pension lumpsum payments.
- › Capital gains on private property are tax-exempt with reservation for gains from real estate at the cantonal and communal tax level.
- › Swiss residents will be taxed on their net wealth (assets minus liabilities). The tax rates range between 0.1% to 1% depending on the amount and domicile.
- › Tax rates are calculated based on worldwide income and wealth. However, foreign real estate and business activities are only taken into consideration for determining the tax rate (exemption with progression).
- › The tax year is the same as the calendar year. In case of international arrival or departure, fractional tax residence is applicable.

Social Security

Social security contributions (1st pillar) are compulsory and generally apply to all employees working in Switzerland. The contributions are based on the monthly employment income. Half of the contributions is borne by the employee and the other half by the employer. As for the pension fund (2nd pillar), a minimum of 50% of the contributions must be paid by the employer.

EMPLOYEE

- › An employee is required to pay 1st pillar contributions to old-age and survivors' insurance schemes (AHV) disability insurance (IV) and income compensation/maternity allowance (EO-MSE) of 5.3% in total. Unemployment insurance (ALV) is charged at 1.1% for income up to CHF 148,200.
- › If annual employment income exceeds the thresh-

old of CHF 22,680 (for 2025), additional charges for a pension fund (2nd pillar) are due. These charges depend on the employee's compensation, age and pension fund scheme.

EMPLOYER

- › An employer is required to pay 1st pillar contributions to old-age and survivors' insurance schemes (AHV), disability insurance (IV) and income compensation/maternity allowance (EO-MSE) of 5.3% in total. Unemployment insurance (ALV) is charged at 1.1% for income up to CHF 148,200.
- › If the employee's annual employment income exceeds the threshold of CHF 22,680 (for 2025), additional charges for a pension fund are due. These charges depend on the employee's compensation, age and pension fund scheme.
- › The employer is liable for contribution payments.

Immigration

VISA

- › In general, foreign citizens require a visa to enter Switzerland.
- › Exceptions apply to EU, European Economic Area (EEA) citizens and countries for which Switzerland has waived the visa requirement.

WORK PERMIT

- › EU and EEA citizens must apply for a residence permit if they want to work more than 90 days within one year.
- › Non-EU and non-EEA citizens need a residence permit in order to work in Switzerland. However, for such citizens, residence permits will only be granted to a limited extent and for highly-qualified employees.

REGISTRATION

- › Upon arrival in Switzerland, all foreigners must register at their local registration office prior to taking up work in Switzerland.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain correct visa type/permit of residence for



- the employee.
- › Request source tax rates for employment income from the competent tax authority (if applicable).
 - › Register the employee for social security purposes with the competent social security authority.

DURING EMPLOYMENT

- › Source tax on compensation if employee is a foreign individual or non-resident of Switzerland.
- › Withhold employee's share of the social security contributions from the employee's compensation.
- › Allocate the employee's remuneration in taxable and non-taxable portions.
- › Prepare and submit the annual salary certificate .

TERMINATION OF EMPLOYMENT

- › Prepare and submit a final salary certificate for the work period within the calendar year.

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	C

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	8,6% ² – 20.7% ³
Employment Gross Income ¹ 100,000 EUR p.a.	
Married, 2 children	6.6% ² – 13.1% ³
Employment Gross Income ¹ 100,000 EUR p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
20–46%		

Social Security Rates

Employment Gross Income ² 100,000 EUR p.a.	
Employee	6,4%
Employer	6,4%

Social Security Agreements (SSA)

Australia
Canada
Chile
Japan
North Macedonia
Philippines
United States
Uruguay
Brazil

¹Excluding fringe benefits such as housing.
²Canton of Schwyz, excluding church tax.
³ Canton of Geneva, excluding church tax.



Türkiye

Personal Income Tax

"Wage" (employment income) refers to cash payments, in-kind benefits, and other advantages that can be represented in monetary terms, provided in return for services rendered by individuals who are subordinated to an employer and connected to a specific workplace.
The nature of the wage is not altered by the fact that it is paid under different names such as allowance, compensation, cashier's compensation (financial liability compensation), allocation, increment, advance, subscription fee, attendance fee, bonus, premium, reimbursement, or by being determined as a percentage of profit, as long as there is no partnership relationship between the parties.

The first and foremost step in determining whether a foreign employee is subject to taxation in Türkiye is to assess their tax residency status under Turkish law and applicable tax treaties.

The concept of tax residency in Türkiye is governed by Article 4 and 5 of the Turkish Income Tax Law and the following individuals are considered resident (full tax liable) in Türkiye:

1. Those who have their legal residence (ikamet gah) in Türkiye.
2. Those who stay in Türkiye continuously for more than six months within a calendar year (temporary absences do not interrupt the stay).

However, there is an exemption to this rule. Even if individuals stay in Türkiye for more than six months, they are not considered tax residents (and thus not taxed on worldwide income) if they fall into the following categories:

1. Foreigners who come to Türkiye for a specific and temporary assignment or work, such as businesspersons, scientists, experts, civil servants, press or media correspondents, or similar persons, and those who come for education, treatment, rest, or travel.
2. Persons forced to stay in Türkiye due to imprisonment, conviction, illness, or other involuntary reasons.

In situations where an individual is considered a resident under the domestic laws of both Türkiye and another country, Article 4 of the applicable Double Taxation Treaty (DTT) will determine the treaty residence based on tie-breaker rules, in the following order:

1. Permanent home availability,
2. Center of vital interests (personal and economic relations),
3. Habitual abode,
4. Nationality,
5. Mutual agreement by competent authorities (if previous criteria are inconclusive).

This is especially important in assignment or secondment cases where tax residence can overlap between countries.

Türkiye applies a progressive income tax system, and expatriates are subject to the same rates as Turkish residents on their Türkiye-sourced income (if non-resident) or worldwide income (if full tax resident). The applicable income tax brackets for 2025 are as follows:

15%	Up to 158.000 TRY
20%	23.700 TRY for 158.000 TRY of 330.000 TRY, more
27%	58.100 TRY for 330.000 TRY of 800.000 TRY (58.100 TRY for 330.000 TRY of 1.200.000 TRY in wage income), more
35%	185.000 TRY for 880.000 TRY of 4.300.000 TRY, (293.000 TRY for 1.200.000 TRY of 4.300.000 TRY in wage income), more
40%	1.410.000 TRY for 4.300.000 TRY of more than 4.300.000 TRY, (1.378.000 TRY for 4.300.000 TRY of more than 4.300.000 TRY in wage income), more

These rates apply regardless of nationality, provided the individual earns taxable income in Türkiye.

Social Security

Foreign nationals working in Türkiye are generally subject to the Turkish Social Security System (SGK), unless exempted under bilateral or multilateral social

security agreements or they prove that they are paying social security at home. Below are the key principles:

- › Foreigners who work under an employment contract in Türkiye are, by default, subject to the Turkish social security system.
- › Both the employer and the employee are required to make monthly social security contributions to the Social Security Institution (SGK).

These contributions cover pension (old-age, disability, survivors), general health insurance, work accident and occupational disease and unemployment insurance.

In principle, individuals are subject to the social security legislation of the country where the work is performed. However, the social security obligations of foreigners who are temporarily assigned to Türkiye by a foreign employer must also be evaluated within the framework of Social Security Law (No. 5510) and any applicable international social security agreements.

Under current practice, foreign employees coming from countries that have a bilateral social security agreement with Türkiye may continue to remain subject to their home country's social security system for the period specified in the agreement. If their assignment in Türkiye exceeds this permitted duration, they are required to be registered under the Turkish social security system in accordance with Social Security Law, starting from the end of the exemption period.

On the other hand, foreigners assigned from countries without a social security agreement may also be exempt from Turkish social security, provided they can submit valid proof that they remain insured under their home country's system. In such cases, pursuant to Social Security Law (No. 5510), these individuals will not be subject to social security contribution in Türkiye for the duration of their assignment.

As a result, in both scenarios — regardless of whether there is a social security agreement in place — foreigners must submit documentation confirming their continued coverage in their home country in order not to be subject to Turkish social security contributions. Once this documentation is provided and their work permit is approved, there is no requirement to register them with the Social Security Institution

(SGK) or to formally record their employment in Türkiye.

The current framework allows the foreigners, who are from non-agreement countries and who can document their home country, a coverage to remain outside the Turkish system indefinitely, whereas those from agreement countries are limited by the specific duration set out in the bilateral agreement.

Social security contributions in Türkiye are shared between the employer and the employee, as outlined below:

	Employee	Employer
SSI Premium	14%	20,75%
SSI Unemployment Premium	1%	2%
Total	15%	22,75%
On-Time Payment Discount (for other sectors)		4%
Total (with discount)	15%	18,75%

The on-time payment discount applies if the employer fulfills social security obligations within the legal deadlines, and it is 5% for manufacturing sector.

Additionally, for the year 2025, the monthly minimum base for social security contributions is 26,005.50 TRY, and the monthly ceiling is 195,041.40 TRY.

Immigration

In principle, foreigners must obtain a work permit prior to starting any professional activity in Türkiye. This permit is issued by the Ministry of Labor and Social Security and generally requires a legal Turkish entity to act as a sponsor.

However, in cases where the foreign national is visiting Türkiye for a short-term task that does not involve actual hands-on work — such as attending meetings, receiving training, or conducting preliminary feasibility studies — they may enter with a business visa or

under visa-free status, depending on their nationality. Nationals of many EU member states are allowed to stay in Türkiye without a visa for up to 90 days within a 180-day period. During this period, they are not permitted to engage in any employment or physical labor, unless otherwise authorized.

For technical staff or engineers coming to Türkiye for the installation, maintenance, or repair of imported machinery or equipment, a special type of visa known as an assembly visa (montaj vizesi) can be issued. This visa is typically valid for up to 90 days and allows the holder to perform technical work. If the assignment exceeds this period or involves broader responsibilities, a standard work permit will be necessary. In conclusion, any foreigner physically performing work in Türkiye must be properly authorized, either through a work permit or, in narrowly defined cases, a specialized visa such as the assembly visa. Visa-free travel or business visas may allow short visits but do not provide legal grounds for employment. Compliance with these rules is essential to avoid penalties, entry bans, or future permit denials.

Employer's Obligations

When a company assigns an employee to work temporarily in a foreign country, the employer has a number of legal and administrative responsibilities before, during, and after the assignment.

BEFORE EMPLOYMENT

The employer must clearly define the terms of the assignment through a formal secondment or assignment letter or employment contract, ensure that appropriate work and residence permits are secured, assess tax and social security implications (including potential exemptions under bilateral agreements), and provide the employee with necessary pre-departure guidance.

DURING EMPLOYMENT

The employer must comply with local labor, immigration, and tax laws in the host country, ensure timely payroll processing (whether locally or via home country), monitor permit renewals, and maintain proper documentation.

AFTER THE ASSIGNMENT ENDS

The employer is responsible for managing the employee's return, terminating or adjusting registrations with local authorities, closing out tax and social security obligations, and providing any post-assignment support or reintegration assistance. Proper planning and compliance at each stage help mitigate legal risks and ensure a smooth international assignment process.



Comparisons

Taxation of Fringe Benefits

Housing	B
Home Flights	B
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Employment gross income 4.500.900 TYR
including social security premium contributions

Single, no children	~30%
Married, 2 children	~30%

Maximum Effective Personal Income
Tax Rates for the past 3 years

2023	2024	2025
40%	40%	40%

Social Security Rates

Employment gross income 4.500.900 TYR
including social security premium contributions

Employee	15%
Employer	22,75%

Social Security Agreements (SSA)

Germany, Austria, Belgium, Bosnia and Herzegovina, Denmark, France, Georgia, Netherlands, United Kingdom, Sweden, Switzerland, Norway, Turkish Republic of Northern Cyprus, Macedonia, Libya, Azerbaijan, Romania, Albania, Luxembourg, Croatia, Canada, Quebec, Slovakia, Serbia, Montenegro, Italy, Korea, Tunisia, Moldova, Hungary, Czechia, Poland, Mongolia, Kyrgyzstan, Iran

¹Excluding fringe benefits such as housing



United Kingdom

Personal Income Tax

- › The UK tax year runs from 6 April to 5 April of the following year.
- › Income tax is imposed on individuals. The liability to income tax is based on the source of income and an individual's tax residence status.
- › Income tax rates for England, Wales and Northern Ireland are 20% on the first GBP 37,700 of taxable income (known as the "basic rate"), 40% on the next GBP 87,440 of taxable income (known as the "higher rate") and 45% in excess of this amount (known as the "additional rate"). Scotland has different bands to the rest of the UK, with tax rates varying from 19% to 46%.
- › The personal tax-free allowance provides an exemption from tax on the first GBP 12,570 of taxable income. This allowance is reduced by GBP 1 for every GBP 2 of adjusted net income exceeding GBP 100,000. This means that the personal tax-free allowance is zero if income is above GBP 125,140.
- › Depending on the level of income, further exemptions are available for interest on savings income up to GBP 1,000. In addition, the first GBP 500 of dividend income is tax free.
- › Dividends are taxed at different rates, currently 7.5% for basic rate tax payers, 33.75% for higher rate taxpayers and 39.35% for additional rate taxpayers.
- › The first GBP 3,000 of capital gains are tax free. Gains in excess of this are charged at 18% for basic rate taxpayers (excluding "carried interest", which is taxed at 32%) and 24% for higher or additional rate tax payers (excluding "carried interest", which is taxed at 32%).

Social Security

Social security contributions, known as National Insurance Contributions (or "NIC"), apply to all employees working in the UK if they do not possess an exemption certificate from an overseas authority.

EMPLOYEE

- › An employee is required to pay Class 1 NIC up to state pension age (this varies by gender and date of birth). For the majority of employees who are paid monthly, the rates are currently as follows:

0% on the first GBP 1,048 per month, 8% on earnings from GBP 1,048 to GBP 4,189 per month and 2% on earnings above GBP 4,189 per month.

EMPLOYER

- › An employer is required to pay class 1 NIC regardless of the age of the employee. For the majority of employees who are paid monthly, the rates are as follows: 0% on the first GBP 417 per month and 15% on earnings in excess of GBP 417 per month.
- › An employer must also pay class 1A NIC on benefits in kind and taxable termination payments and/or class 1B on items included within a PAYE Settlement Agreement. The rate for class 1A and class 1B contributions is 15%.

Immigration

VISA

- › If you are not a British or Irish citizen, you may need permission to enter the UK. Only British and Irish nationals, members of the Overseas Countries and Territories (OCT) and those who have successfully applied to the EU Settlement Scheme (and have valid "Settled or "Pre-Settled" status), are exempt.
- › Most visitors travelling to the UK need an Electronic Travel Authorisation ("ETA") or visa. It currently costs GBP 16 to apply for a UK ETA. Whilst visiting the UK with an ETA, an individual can come to the UK for up to 6 months for tourism, visiting family and friends, on a business trip, or for short-term study but cannot do paid or unpaid work for a UK company or as a self-employed person.

WORK PERMIT

- › Non-UK citizens of any country other than Ireland or those with a valid "Settled" or "Pre-Settled" status under the EU Settlement Scheme, will require a permit to work in the UK.
- › A work permit must be applied for by a prospective UK employer with a valid sponsor licence issued by the home office.
- › A points-based system applies with specific categories for skilled workers, health and care workers and graduates. The global talent scheme also enables highly-skilled scientists and researchers to enter the UK without first securing employment.

REGISTRATION

- › Individuals arriving from certain countries must register with the local police station and/or embassy or consulate. For most, the only requirement is to register with the local authority for council tax purposes.
- › Where an individual meets the criteria for filing income tax returns, registration is required by 31 October following the tax year end.
- › An individual who is working as an employee in the UK should also apply for and obtain a National Insurance Number.

Employer's Obligations

START OF EMPLOYMENT

- › Obtain a work permit where required.
- › Complete the employee "Starter Declaration" and submit online as part of the local payroll submission (Full Payment Submission (FPS)).
- › Where an employee is exempt from UK tax under a tax treaty, apply for the Short-Term Business Visitor Agreement for advance approval not to operate Pay As You Earn (PAYE) withholding.

DURING EMPLOYMENT

- › Withhold tax according to the pay period (usually monthly) and report online to tax authorities under Real Time Information procedures.
- › Withhold NIC according to the pay period (usually monthly) and report online to tax authorities under Real Time Information procedures.
- › Prepare and issue Form P60 (annual certificate of pay and tax) to employee by 31 May following the tax year end and file with the tax authorities.
- › Prepare and issue Form P11D (annual report of expenses and benefits) to employee by 6 July following tax year end and file with tax authorities. Make payment of class 1A NIC by 22 July.

TERMINATION OF EMPLOYMENT

- › Cancel the work permit for an employee where applicable.
- › Prepare and file "Leaver Declaration" and submit online as part of local payroll submission (Full Payment Submission / FPS).
- › The employee should complete and submit Form P85 to declare their departure from the UK and claim non-resident tax status as appropriate (or file an Ex-pat Deregistration Form if seconded to the UK).

Comparisons

Taxation of Fringe Benefits

Housing	C
Home Flights	C
Education for children	B

A Tax exempt | B Taxable | C Tax relief under certain conditions

Tax Rates

Single, no children	25,5%
Employment Gross Income ¹ 100,000 EUR / GBP 87,000 p.a.	
Married, 2 children	25,5%
Employment Gross Income ¹ 100,000 EUR / GBP 87,000 p.a.	

Maximum Effective Personal Income Tax Rates for the past 3 years

2023	2024	2025
45%	45%	45%

Social Security Rates

Employment Gross Income¹ 100,000 EUR / GBP 87,000 p.a.

Employee	4,3%
Employer	15%

Social Security Agreements (SSA)

Canada (not including Quebec)
Israel
Japan
Philippines
Republic of former Yugoslavia
South Korea
Switzerland
Turkey
USA and further more

¹Excluding fringe benefits such as housing

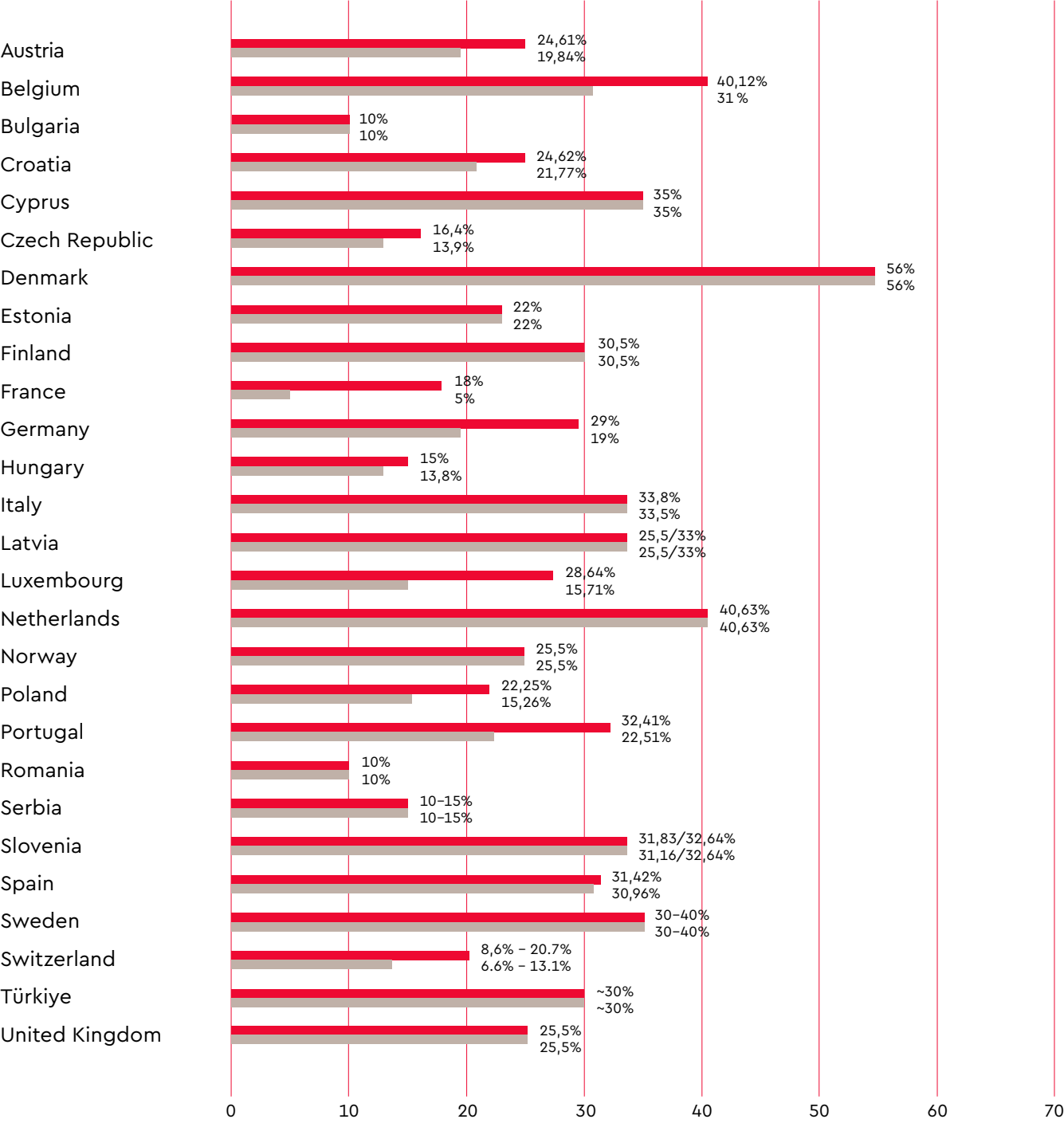
Appendix

Taxation of Fringe Benefits

Country	Housing	Home Flights	Education for Children
Austria	C	C	C
Belgium	C	C	C
Bulgaria	B/A	A	B
Croatia	C	B	B
Cyprus	B	B	B
Czech Republic	C	C	C
Denmark	B	C	B
Estonia	C	C	C
Finland	C	C	C
France	C	C	C
Germany	C	C	C
Hungary	C	B	B
Italy	C	C	C
Latvia	B	B	C
Luxembourg	C	C	C
Netherlands	C	C	C
Norway	C	C	C
Poland	C	B	B
Portugal	B	B	C
Romania	B	B	B
Serbia	B	B	B
Slovenia	B	B	B
Spain	A	A	A
Sweden	C	C	C
Switzerland	C	C	C
Türkiye	B	B	B
United Kingdom	C	C	B

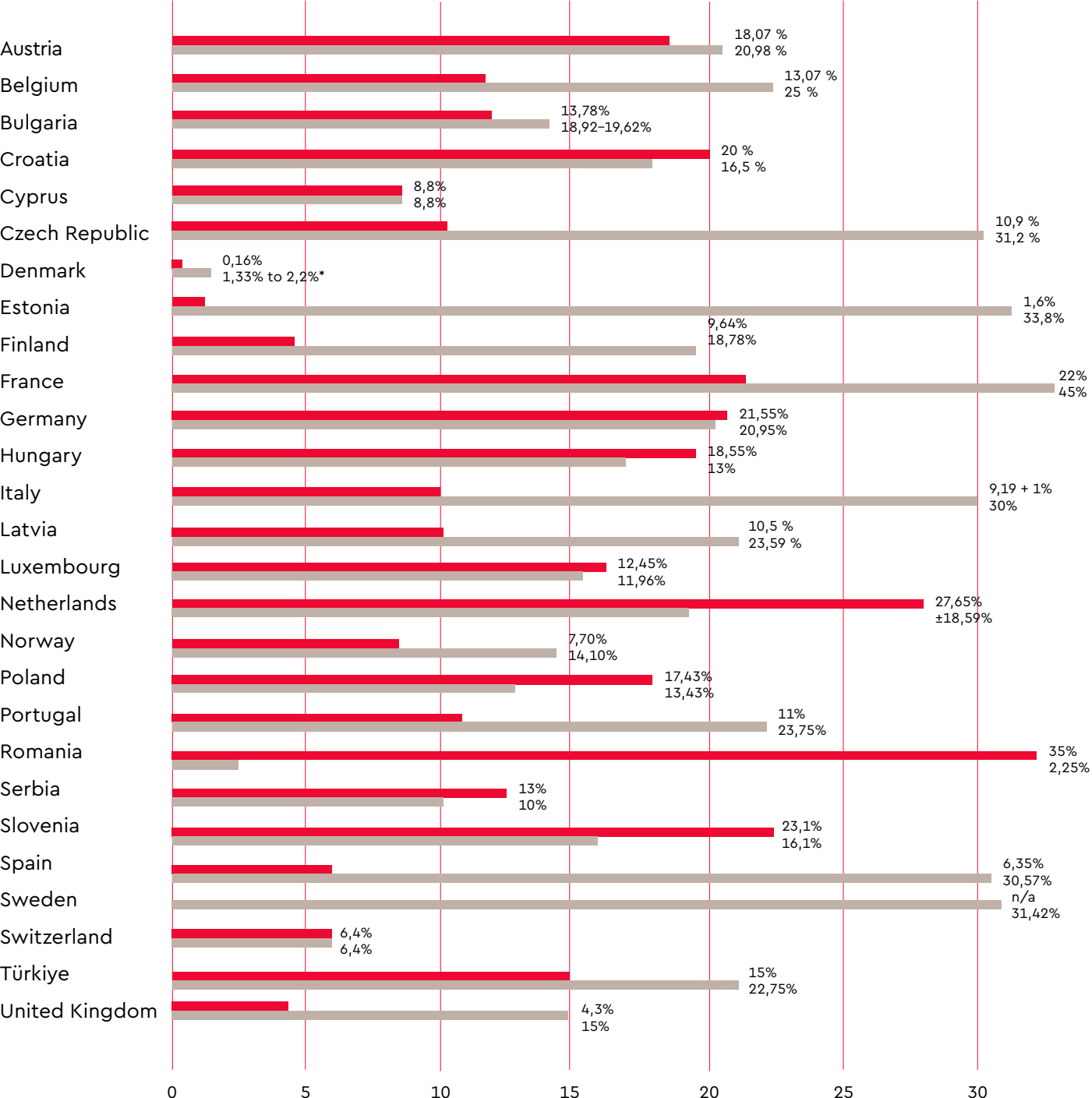
A Tax exempt | B Taxable | C Tax relief under certain conditions
¹If assignment does not exceed 12 months, otherwise generally taxable.

Effective Income Tax Rates



■ Single, no children | ■ Married, 2 children

Social Security Rates



■ Employee | ■ Employer | *NSF **HRDC Levy

* percentage for illustrative purposes as payments are calculated based on a variety of factors

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