DENMARK:
NEW REGULATIONS CONCERNING MINIMUM WAGE & BANK ACCOUNT

The Government of Denmark has issued new regulations regarding the issuance of work permits. As of January 1, 2021, the following changes apply:

- The minimum wage for all occupations will be DKK 445,000 (approx. CHF 64,590) per year, i.e., 2% higher than the previous wage of DKK 436,000 (approx. CHF 63,284).
- For an employment longer than 180 days, payment of the wage in a Danish bank account is required for all occupations on the "positive list". All employees must, therefore, register with tax consequences.
- For all occupations, the entire wage must be paid into a Danish bank account. Previously, all amounts exceeding the minimum wage could be paid into a foreign bank account.
- All family members under the status of family reunion who work for the same employer as the main permit holder require a separate, independent work permit before taking up employment.

The aim is to increase compliance for foreign workers to ensure that employers adhere to fair payment standards and to increase transparency in their employment.

AUSTRALIA:
FUTURE CHANGES IN IMMIGRATION REGULATIONS IN 2021

IIn Australia, the following adjustments to the immigration regulations are expected this year:

- The quotas for work and residence permits will remain at 160'000, the same as last year. Although the number of quotas will remain the same, the distribution will change. The number of permits for family members - for example - will increase from 47'732 to 77'300.
- One aim of the 2020-21 migration program will be to support the economic recovery after COVID-19. For this reason, the unit of quota for potential investors and business managers will also be increased to 13'500.
- As of July 1, 2021, the cost for visa applications will be increased by 11.3%. It is expected that the travel restrictions may be lifted again between March 2020 and June 2021.

SWITZERLAND:
NEW AGREEMENT WITH ITALY ON THE TAXATION OF CROSS-BORDER COMMUTERS

On December 23, 2020, representatives of Switzerland and Italy signed a new agreement on the taxation of cross-border commuters as well as a protocol of amendment to the double taxation agreement (DTA) in Rome. The agreement replaces the previous legal text from 1974 but must first be approved by the parliaments of both countries before it enters into force.

The drafting of the agreement was accompanied by consultations with the authorities of the cantons of Graubünden, Ticino and Valais as well as the trade unions and the association of the Italian border municipalities.

Switzerland will levy 80% withholding tax on new cross-border commuters from Italy. The cross-border commuters are also taxed in the country of residence and the country of residence eliminates any double taxation. Furthermore, the term "cross-border commuter" was clearly defined and clauses on a transitional regulation, a provision on abuse, reciprocity and a regular review of the agreement were included.

UNITED KINGDOM-EFTA:
CONSEQUENCES FOR NEW ASSIGNEES FROM EFTA STATES TO THE UNITED KINGDOM

As the United Kingdom (UK) left the EU on December 31, 2020, the overarching social security regulations between the EU/EFTA states and the UK are no longer applicable. However, as of January 1, 2021, a new agreement between the EU and the UK came into force that resembles to previous agreement with regards to social security in many aspects.

However, this new agreement no longer includes the EFTA states (Switzerland, Liechtenstein, Iceland and Norway). The UK, therefore, follows the existing bilateral social security agreements when it comes to assignments from the EFTA states to the UK. Which positions the individual EFTA states will take in return is currently still open. In the case of assignments to the UK, employees can be exempt from British social security contributions as follows:

- Switzerland: up to 24 months
- Liechtenstein: not at all, as no bilateral social security agreement exists
- Iceland: initially 52 weeks; extension by a further 52 weeks are possible upon application
- Norway: up to 36 months

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WWW.CONVINUS.COM / INFO@CONVINUS.COM