



SWEDEN:
OBLIGATION TO WITHHOLD
INCOME TAXES EXTENDED TO
FOREIGN EMPLOYERS WITHOUT
A PERMANENT ESTABLISHMENT

Until the end of last year, foreign employers without a permanent establishment in Sweden were not obliged to withhold income taxes for their employees working in Sweden. However, as of January 1, 2021, also employers without a permanent establishment in Sweden are now required to withhold Swedish income taxes and register as employers.

In particular, foreign employers who employ staff in a Swedish home office, have seconded staff to a Swedish company and/or have board members who are resident in Sweden should check whether they are now obliged to withhold Swedish income taxes.

For the concerned companies, this is likely to lead to considerable additional administrative work, since they do not only have to register as an employer in Sweden but also need to report and withhold the income taxes on a monthly basis.



In addition to the host country and the designated position, the compensation package is usually one of the essential aspects for employees when negotiating a foreign assignment. The defined remuneration as well as any additional benefits play a decisive role for the potential expatriate in deciding whether to accept the proposed mission abroad. The tax burden, which can vary greatly depending on the host country, is a significant factor in determining the remuneration.

A helpful overview is provided by the Swiss Federal Tax Administration's publication "Tax burden: international comparison", which was recently updated and published for 2020. It summarises comprehensive data on the international comparison of the tax burden in the OECD countries with regard to various types of taxes.

It should be noted that this overview is of retrospective nature. However, when preparing an international assignment, the current tax data and rates should be taken into account. Support from a tax or global mobility advisor is, therefore, highly recommended.



SWITZERLAND:
PUBLICATION "TAX BURDEN:
INTERNATIONAL COMPARISON"
UPDATED BY THE SWISS FEDERAL
TAX ADMINISTRATION



FRANCE:
REINTRODUCTION OF VISA
REQUIREMENT FOR TRANSIT
TRAVELLERS TO THE UK

The French authorities have decided to reintroduce the airport transit visa (ATV) requirement for citizens of certain countries in Africa, America, and Asia. From now on, some citizens from Africa, Asia, the Caribbean and South America who hold a valid British long-stay visa or British residence permit will have to have an ATV to transit through France to reach the United Kingdom (UK). This new measure applies to citizens from the following countries:

- Africa: Angola, Cameroon, Central African Republic, Democratic Republic of Congo, Eritrea, Ethiopia, Ghana, Guinea, Ivory Coast, Mali, Mauritania, Nigeria, Senegal, Sierra Leone, Somalia, South Sudan, Sudan.
- Asia: Afghanistan, Bangladesh, Iran, Iraq, Pakistan, Palestine, Philippines, Russia, Sri Lanka, Syria.
- Caribbean & South America: Cuba, Haiti, and the Dominican Republic.

The new decision is intended to help combat illegal border crossings and strengthen the cooperation between the French and British authorities.



USA:
LIFTING OF TRAVEL BAN ON MUSLIM COUNTRIES AND
BORDER CLOSURE FOR TRAVELLERS FROM EUROPE, UK, AND SOUTH AFRICA.

After President Joe Biden took office, all of Donald Trump's executive orders that are still under review with Congress or have not yet taken effect were frozen. This tactic is used by President Biden to ensure that regulations in force during his term reflect the priorities of his administration. One of President Joe Biden's very first executive orders was to lift the travel ban on the - partly - Muslim countries:

- Iran, Libya, North Korea, Somalia, Syria, Venezuela, and Yemen.

Nationals of the following previously restricted countries under the January 2020 travel ban are no longer subject to the following immigrant visa restrictions:

- Eritrea, Kyrgyzstan, Myanmar (Burma) and Nigeria: lifting of restrictions on all immigrant visas
- Sudan and Tanzania: lifting of restrictions on diversity lottery immigrant visas

As of Monday, January 25, 2021, President Biden is also re-imposing an entry ban on almost all non-US travellers who have been to South Africa, Brazil, the UK, Ireland and 26 countries in Europe.