

## Expatriate tax services

The advent of technological changes in travel and communications has seen a growing trend among multinational companies to station expatriates in the Philippines. Similarly, we see an increasing number of Philippine employees being assigned to affiliates or project sites located in other countries, such as China, India, the U.S. or Europe.

The deployment of employees by multinational companies and their Philippine subsidiaries, whether inbound or outbound, creates a host of issues—such as compensation structure, foreign benefits, employment permits and visa, retention and retirement issues—not the least of which is taxation.

In most cases, these internationally mobile employees seek the assistance of their local employers/clients in understanding and complying with their tax obligations during the period of assignment. This process entails the following activities:

- Identification of the employee's Philippine tax status
- Computation of his Philippine income tax liability
- Preparation and filing of his Philippine income tax return

- Assistance in securing his Philippine Taxpayer Identification Number (TIN)
- Determination of his community tax liability and securing his Community Tax Certificate (CTC)
- In the case of expatriates, assistance in securing from the BIR the proof of compliance with local tax filing requirement, if needed in connection with the renewal of his registration with the Bureau of Immigration or for his home country tax purposes
- For Filipino employees assigned abroad, determination of his foreign income tax liability and tax compliance requirements
- Identification of tax planning opportunities
- Review of the tax protection policies of the company

Punongbayan & Araullo's Expatriate Tax team can support you and your company in addressing these challenges.

If you would like to know more about our expatriate tax services, please contact:

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