

# International comparison of tax regimes for inbound expatriates in Europe, North America and China

Global Mobility Survey 2024



# Introduction

The international competition to attract inward investment remains intense. At stake are the potentially huge economic and social benefits of billions of Euros of inward investment<sup>1</sup>.

The use of tax incentives is a major lever used by states to attract and retain foreign investment. Among these are the special tax regimes offered by states for inbound expatriates.

This document compares the availability of special inbound expatriate tax regimes across 15 major world economies.

<sup>1</sup>In 2021 inward investment to EU states alone amounted to over USD 377 bn. Source: The World Bank: Foreign Direct Investment: net inflows-European Union


# Contents


 Countries covered in this comparison


 Tax regimes - an overview

 Six special inbound expatriate tax regimes

 Tax residence


 Employment conditions


 Tax benefits

 Social security benefits


 Regime durations

 Six special inbound expatriate tax regimes

 Summary of main features

 Features by country

 Countries with non-specific tax reliefs available for inbound expatriates

 Summary of main features

 Features by country

## Countries covered in this survey report



Belgium



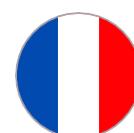
Canada



China & Hong Kong



Czech Republic



France



Germany



Italy



Netherlands



Poland



Portugal



Slovakia



Spain



Switzerland



United Kingdom



USA

## Tax regimes - an overview

As detailed in the table below, among the 15 jurisdictions surveyed:

- Six currently have no specific tax breaks for inbound expatriates;
- Three offer limited tax reliefs; and
- Six operate a special tax regime for professional inbound expatriates.

### No special regime

### Limited tax reliefs available

### Special regime

Canada		China		Belgium	
Czech Republic		Poland		France	
Germany		UK		Italy	
Slovakia				Netherlands	
Switzerland				Portugal	
USA				Spain	

*Our comparison provides a detailed analysis of the six special inbound expatriate tax regimes as per the [Contents](#). It also summarises and compares the individual features of the non-specific tax reliefs offered by [China](#), [Poland](#) and the [UK](#) which may be available for expatriates to take advantage of.*

## Six special inbound expatriate tax regimes - the main qualifying conditions and benefits

This section looks at the qualifying conditions and main features of the special tax regimes offered just to inbound expatriates by six countries in our survey.

### Tax Residence

Taxpayer has to become a tax resident of the country	Taxpayer does not have to become resident of the country
France	Belgium
Italy	Netherlands
Portugal	
Spain	

Years that tax residence is looked at for qualifying purposes\*

3 to 7 years	5 years	25 years
Italy	Belgium	Netherlands
	France	
	Portugal	
	Spain	

\* see summary below for further details

### Employment conditions

Taxpayer has to work for a company located in the State (a local contract or assignment to a local business is mandatory)	Taxpayer does not have to work for a company located in the State (no mandatory requirement for a local contract or assignment)
Belgium	Italy
France	Portugal
Netherlands	Spain

## Minimum wage requirements

Minimum wage required	No minimum wage required
Belgium	Italy
France	Spain
Netherlands	
Portugal	

## Tax Benefits

Rebate on taxable income

Tax rebate up to 30%	Tax rebate up to 50%	Tax rebate 50 - 60%
Belgium	France	Italy (up to a maximum of EUR 600.000)
Netherlands		

Special tax rate

Spain	Portugal
24%	20%

## Social Security Benefits of Regime







No rebate on social security	Rebate on social security
France	Belgium
Italy	Netherlands
Portugal	
Spain	

## Duration of the regime

Belgium	France	Italy	Netherlands	Portugal	Spain
5 years up to 8 years	8 years	5 years up to 8 years	Up to 5 years	Up to 10 years	Up to 6 years

# Six special inbound expatriate tax regimes

## Summary of the main features

	Belgium 	France 	Italy 	Netherlands 	Portugal 	Spain 
Required to be tax resident in the relevant country	No.	Yes.	Yes.	No.	Yes.	Yes.
Is prior tax residence taken into account?	Yes.	Yes.	Yes.	Yes (cf. Duration).	Yes.	Yes.
Other conditions:	Be assigned to Belgium by a foreign company or be recruited directly from abroad by a company established in Belgium.	Assigned to France by a foreign company to work in a French entity or be recruited from abroad by a company established in France.	Maintain tax residence in Italy for at least 4 years. Work in Italy for more than 183 days in the tax year.  Meet the higher qualification and specialization requirements set forth by Italian law and EU regulations.	Assigned to the Netherlands by a foreign company, or be recruited directly from abroad by a company established in the Netherlands.	The activities by the employee should be considered as High Added Value as per the Portuguese law (i.e. General Manager, Executive manager, Authors, Medicine Doctors, etc.).	Digital nomads; directors/ board members; qualifying entrepreneurs; highly qualified professionals; professors and researchers; family members of all the previous would also qualify. Qualifying individuals cannot have a permanent establishment in Spain. Timely application of the regime is mandatory.
Benefits	Tax exempt payment by the employer, on the top of the salary, of the expenses arising directly from the work in Belgium (max. €90,000).	Tax exempt allowance of 30% max. of remuneration and exemption of remuneration for the foreign workdays outside France, up to a maximum of 50% of the taxable income.	Only 50% of remuneration up to a maximum of EUR 600.000 is taxed in Italy - a 50% exemption. A 60% exemption can apply in case the employee has/adopts a child who is tax resident in Italy.	Tax exempt allowance of at max. 30% in the first 20 months of the term. In the following 20 months, the max. tax-free allowance will be 20% of the salary and in the last 20 months of the term the max. percentage amounts to 10%. The tax-exempt allowance is capped at 30% of the max. income for government employees (i.e., 30% of € 233,000 for 2024, amount subject to indexation each year).	Tax exemptions for Foreign source income and Portuguese source income.	Flat-tax rate of 24% up to €600,000 (47% on any excess).
Impact on social security	Yes.	No.	No.	Yes.	No.	No.
Duration	5 years (possible extension for 3 more years).	8 years max.	5 years (possibility to maintain 3 more years under certain and specific conditions set forth by Italian law).	5 years (can be reduced by period of previous tax residence or previous work).	10 years max.	6 years max.

\*The information contained herein is accurate and valid as of the 2023, calendar year, however, it does not reflect subsequent legal changes implemented and enacted in 2024 which end the availability inbound expatriate regime in this country. Please contact our Member Firm listed below for further advice on the implication of the inbound expatriate regime's reform.

**CELIA ALLIANCE**

Disclaimer: Content is correct as of 1st September 2023 and is for general information purposes only. The information provided is not intended to be comprehensive and it does not constitute or contain legal or other advice. If you require assistance in relation to any issue please seek specific advice relevant to your particular circumstances. In particular, no responsibility shall be accepted by any of the authors, the contributing firms, or Abbiss Cadres LLP for any losses occasioned by reliance on any content appearing on or accessible from this document.

# Six special inbound expatriate tax regimes

## Features by country



	<b>Belgium*</b>
Tax resident in the concerned state	No.
Is prior tax residence taken into account?	In order for the employee to be eligible for the inbound expatriate regime, the employee must not have been Belgian tax resident during the 60 months prior to taking up their employment in Belgium.
Other conditions	<p>The employee must also during the 60 months prior to taking up their employment in Belgium :</p> <ul style="list-style-type: none"> <li>· Not have been resident at less than 150 km from the Belgian borders (this excludes in principle Luxembourg, the borders areas with France, the Netherlands and Germany and the south of United Kingdom);</li> <li>· Not have been liable to Belgian taxes on Belgian professional sourced income as non-resident.</li> </ul> <p>The employee must have a Belgian gross annual income (before deduction of social security contributions) of at least €75,000. The limit only applies to work performed or services rendered in Belgium.</p> <p>He/she must be recruited directly abroad (by a Belgian company or by a Belgian establishment of a foreign company) or assigned by a foreign company to one of the Belgian companies/establishments of the group.</p> <p>Are excluded: Member of supervisory board or individual working in the capacity of director with own company, of he/she is (co-)founder or of which he/she holds &gt; 30 % of the shares.</p>
Benefits	<p>Exempt from Belgian tax:</p> <ul style="list-style-type: none"> <li>· Up to 30 % of the gross salary (capped at €90,000) for recurring expenses (additional costs of accommodation in Belgium compared to the country of origin, additional costs of living in Belgium compared to the country of origin, the costs of private travel to the country of origin for the person and his/her family, the costs of travel to the country of origin on the occasion of birth, marriage or death of a family member of the individual or of his/her partner) : Payment by the employer, on the top of the salary, either (1) directly or (2) in the form of specific reimbursements, of recurring expenses arising directly from the assignment or employment in Belgium. – No supporting documents required, but the allowance must be contractually agreed upon.</li> <li>· Schooling, moving and relocation allowance - Supporting documents required.</li> </ul>
Impact on social security	Benefits mentioned above are also exempt from employee / employer social security contributions.
Duration	<p>5 years with a possible 3-year extension.</p> <p>Request to be filed with the Belgian tax authorities must be made 3 months before the start date of the work in Belgium.</p>

\*The information contained herein is accurate and valid as of the 2023, calendar year, however, it does not reflect subsequent legal changes implemented and enacted in 2024 which end the availability inbound expatriate regime in this country. Please contact our Member Firm listed below for further advice on the implication of the inbound expatriate regime's reform.



# Six special inbound expatriate tax regimes

## Features by country



	France
Tax resident in the concerned state	To benefit from the inbound expatriate regime, the employee must be tax resident in France as of the date of the start of the employment with the company established in France within the meaning of domestic law (i.e. if he/she has his/her main home or place of residence in France) and of the Double Tax treaty between France and the concerned state.
Is prior tax residence taken into account?	The employee must not have been resident in France for tax purposes for an uninterrupted period of time during the last 5 calendar years prior to starting the new duties in France.
Other conditions	<p>The employee must either:</p> <ul style="list-style-type: none"> <li>· Be sent to France by a foreign company to work in a company established in France (intra-group mobility, secondment), or</li> <li>· Be recruited directly from abroad by a company established in France.</li> </ul> <p>People who come to work in France on their own initiative or who have already established their residence in France at the time of the recruitment cannot benefit from this regime.</p> <p>Employees who kept a contractual link with their French employer during their assignment abroad cannot benefit from the tax exemption when they come back to France.</p> <p>The regime does not apply to self-employed. The beneficiary must either be an <u>employee</u> (with an employment contract) or an <u>executive corporate officer</u> (no employment contract but a corporate mandate in a French company, assimilated to employee from a tax and social security standpoint).</p>
Benefits	<p>1. Income from professional activity: The regime provides a tax exemption for:</p> <ul style="list-style-type: none"> <li>· The “in-patriate premium” i.e., the part of the inbound expatriate’s compensation related to the additional remuneration directly linked to the status of inbound expatriate ; upon election of the employee, such premium may be valued at a maximum of 30% of the employee’s global compensation, provided certain conditions are met ; and</li> <li>· The remuneration corresponding to days worked outside of France in the direct and exclusive interest of the employer.</li> </ul> <p>The tax exemption is capped at 50% of the employee’s total taxable compensation.</p> <p>2. Income from movable capital, income from intellectual property and capital gains from the sale of securities: a 50% tax exemption applies on the taxable amount of such income, provided certain conditions are met.</p>
Impact on social security	<p>The regime does not in itself apply to social security, there is no exemption or rebate on the basis of computation of the social security contributions.</p> <p>Employees who continue contributing to <u>complementary welfare or pension schemes</u> to which they were affiliated before their arrival in France (supplementary pensions and complementary provident schemes) may deduct such contributions from their taxable salaries under more flexible conditions than for other employees.</p>
Duration	The tax regime will be applicable until December 31st of the 8th calendar year following the one in which the employee started working in France.

# Six special inbound expatriate tax regimes

## Features by country



	Italy
Tax resident in the concerned state	To benefit from the inbound expatriate regime, the employee must transfer his/her tax residence in Italy within the meaning of Article 2 of the Italian Tax Code (i.e. if he/she maintains his/her residence, or his/her personal relations, or if he/she is present, on the Italian territory for more than 183 days in the tax year).
Is prior tax residence taken into account?	<p>The employee must not have been tax resident in Italy prior to the transfer of his/her tax residence in Italy for 3 tax years (standard period).</p> <p>The minimum period of foreign tax residence increases to 6 or 7 years in case of intra-company transfer or in case of return from a posting abroad to the posting company.</p> <p>The foreign tax residence must be assessed on the basis of the registration with the Register for Italian citizens living abroad ("AIRE") or the double tax treaty in force between Italy and the foreign State of employee's previous tax residency.</p>
Other conditions	<p>The employee must maintain his/her tax residence in Italy for at least 4 years and he/she must carry out his/her working activity on the Italian territory for more than 183 days in the tax year concerned.</p> <p>The employee must meet the higher qualifications and specializations requirements set forth by Italian law and EU regulations.</p>
Benefits	<p>Employment income up to a maximum of EUR 600.000,00 per tax year is taxed in Italy only for 50% of its amount and the remaining 50% is excluded from Italian taxation.</p> <p>The said income is taxed for 40% of its amount if:</p> <ul style="list-style-type: none"> <li>· The employee relocates in Italy with at least one underage child, provided that the child is tax resident in Italy; or</li> <li>· The employee becomes parent of a child or adopts a minor during the period of duration of the regime. In such a case, the employee can benefit from the 40% employment income taxation as of the tax year in progress at the time of the birth or adoption and for the remaining time of duration of the regime, provided that the child or the minor is tax resident in Italy.</li> </ul>
Impact on social security	No.
Duration	<p>The regime will be applicable in the tax year in which the employee transfers his/her tax residence in Italy and the 4 following tax years (5 tax years in total).</p> <p>The regime applies for 3 additional tax years (8 tax years in total) only to the employee who registers with the Register of Italian population ("Anagrafe") by 31.12.2024 and bought a residential property in Italy, which is used as his/her main abode, by 31.12.2023, and, in any case, during the 12-months period preceding the transfer to Italy.</p> <p>The employee can submit a written request to his Italian employer in case he/she wants the inbound expatriate regime to apply directly within the monthly payslips. However, he/she can also benefit from the inbound expatriate regime directly in his annual Italian tax return.</p>

# Six special inbound expatriate tax regimes

## Features by country



	Netherlands
Tax resident in the concerned state	No.
Is prior tax residence taken into account?	Yes (cf. Duration).
Other conditions	<p>To benefit from the Dutch inbound expatriate regime, the beneficiary must be an employee or notional employee (engagement equated with an employment contract under Dutch laws) under the Dutch Wage Tax Withholding Act and either be recruited from abroad by a Dutch employer or seconded to the Netherlands by a foreign employer (in this case, the employer must be a withholding agent under Dutch Law or these obligations may be transferred to a Dutch group company after approval of the Dutch tax authorities).</p> <p>People who come to the Netherlands on their own initiative or who already established their residence in the Netherlands at the time of recruitment cannot benefit from the regime.</p> <p>Prior residence must be at a distance of &gt; 150 km from the Dutch border.</p> <p>Taxable employment income must be more than € 46,107 (2024) – Exception for scientist, employees holding a master degree who are under 30.</p> <ul style="list-style-type: none"> <li>· The application of the 30% allowance must be agreed between employer and employee;</li> <li>· A written approval from the Dutch tax authorities is required; and</li> <li>· The 30% allowance must be designated as such in the payroll of the employee under the so called WKR regime.</li> </ul>
Benefits	<p>Under the 30% ruling the employer may pay an eligible employee up to 30% of the gross salary free of tax. As from 1 January 2024 the tax-free allowance of maximum 30% will only be provided in the first 20 months of the term. In the following 20 months, the maximum tax-free allowance will be 20% of the salary and in the last 20 months of the term, the maximum percentage amounts to 10%. A transitional regime applies for employees for whom the 30% allowance has been applied in the December 2023 payroll.</p> <p>This tax-free allowance is considered an allowance for extraterritorial expenses and does not need to be specified. If the 30% ruling is applied, actual extraterritorial costs cannot be reimbursed free of tax. It is possible to opt for tax free reimbursement of the actual extraterritorial costs incurred by the employee instead of the 30% allowance (such election must be made in the first payroll period of the calendar year and applies for the entire calendar year as long as the 30% ruling is applicable).</p> <ol style="list-style-type: none"> <li>1. Exempt allowance of up to 30% of gross remuneration (see above for the reduction of the maximum percentage during the term) in cash and in kind applicable only on income from current employment and as long as the employee is still working. As of 2024, apart from the gradually reduced maximum percentage, there is a second limitation to consider, as the tax-free allowance is capped at 30% of the maximum income for government employees (€ 233,000 in 2024, subject to indexation each year), so determining the maximum tax-exempt allowance for 2024 at € 69,900. Transitional rules apply for employees for whom the 30% ruling was already applied in the December 2022 payroll.</li> <li>2. Fees for international schools can be reimbursed tax free by employer in addition to the 30% allowance.</li> <li>3. Until 1 January 2025 qualifying expatriates may opt for tax treatment as non-resident taxpayer in their annual Dutch income tax return in respect of investment income (which effectively results in a tax exemption on income from net wealth, with the exception of Dutch real estate and the holding of a substantial interest (i.e., 5% or more of any class of the shares) in a Dutch based company). A transitional regime applies for employees for whom the 30% ruling was applied in the December 2023 payroll; they can opt for the treatment as non-resident taxpayer in their annual Dutch income tax return until 31 December 2026.</li> </ol>
Impact on social security	The regime applies also for social security purposes, though this is not very relevant considering the relatively low cap for the calculation of Dutch social security contributions.
Duration	<p>The maximum term of 5 years for the inbound expatriate regime is reduced by all periods of previous tax residence or previous employment in the Netherlands, unless these previous periods ended more than 25 years ago.</p> <p>Incidental work/business trips (i.e. max. 20 work days per calendar year) and stays (i.e. max. 6 weeks per calendar year for holiday/family &amp; personal reasons) in the Netherlands may be disregarded in this respect.</p> <p>If the request is filed <u>within 4 months from the start of employment</u> in Netherlands, it has retroactive effect to the commencement date. If filed later and approved it has effect from the calendar month following the month in which the application was filed.</p>

# Six special inbound expatriate tax regimes

## Features by country



	<b>Portugal*</b>
Tax resident in the concerned state	To benefit from the Non-habitual Residents tax relief regime, the employee must transfer his/her residence in Portugal.
Is prior tax residence taken into account?	The employee must not have been resident in Portugal for tax purposes during the last 5 years prior to transferring his/her residence in Portugal.
Other conditions	To benefit from the Non-habitual residence regime employment flat tax rate, activities by the employee should be considered as High Added Value as per Portuguese law (i.e. General Manager, Executive Manager, Authors, Medicine Doctors).
Benefits	<ol style="list-style-type: none"><li>Foreign Source income:<ul style="list-style-type: none"><li>Income from Royalties and Financial Assets - income coming from a country with a DTA may be tax-exempt.</li><li>Employment Work income - Flat tax 20 % or exempted.</li><li>Real Estate income and Capital Gains - May be exempt if the income comes from a country with a DTA;</li><li>Pension Income - If the income comes from a country with a DTA, may be 10 %;</li><li>Self-Employment Income - If an High Added Value - and from a country with DTA may be tax exempt or flat tax (20%)</li></ul></li><li>Portuguese Source:<ul style="list-style-type: none"><li>Employment/Self Employment Income - If an High Added Value, flat tax of 20 % and if not an Added Value Profession, taxation at normal progressive rates.</li><li>Real Estate Income and Capital Gains - 28% or progressive rates (only 50% of the net Capital gains are taxable at normal progressive rates.)</li></ul></li></ol>
Impact on social security	No.
Duration	This tax scheme will be applicable in the tax year in which the individual acquires the Portuguese tax residence and 9 following tax years.

\*The information contained herein is accurate and valid as of the 2023, calendar year, however, it does not reflect subsequent legal changes implemented and enacted in 2024 which end the availability inbound expatriate regime in this country. Please contact our Member Firm listed below for further advice on the implication of the inbound expatriate regime's reform.

## CELIA ALLIANCE

Disclaimer: Content is correct as of 1st September 2023 and is for general information purposes only. The information provided is not intended to be comprehensive and it does not constitute or contain legal or other advice. If you require assistance in relation to any issue please seek specific advice relevant to your particular circumstances. In particular, no responsibility shall be accepted by any of the authors, the contributing firms, or Abbiss Cadres LLP for any losses occasioned by reliance on any content appearing on or accessible from this document.

# Six special inbound expatriate tax regimes




## Features by country



	Spain
Tax resident in the concerned state	To benefit from the inbound expatriate regime, the employee must become a tax resident in Spain in the year of relocation (i.e. year of the beginning of the Spanish labour contract or assignment) within the meaning of domestic law (i.e. if he/she spends more than 183 days in a calendar year in Spain or he/she has the center of economic interests in Spain) and of the Double Tax treaty between Spain and the concerned State.
Is prior tax residence taken into account?	The employee must not have been a tax resident in Spain for the 5 calendar years prior to the relocation to Spain (effective 1st January 2023 - 10 years under the former regulation).
Other conditions	<p>The relocation to Spain must be a consequence of:</p> <ul style="list-style-type: none"> <li>· A new employment contract with a Spanish or foreign employer or assignment to Spain.</li> <li>· Being appointed director or board member of a Spanish company, in which the individual has no substantial interest.</li> </ul> <p>The regime also applies to:</p> <ul style="list-style-type: none"> <li>· workers posted to Spain to work remotely using solely IT and telecommunications resources and systems, regardless of whether the posting is ordered by the employer.</li> <li>· qualifying entrepreneurs; highly qualified professionals; professors and researchers.</li> </ul> <p>There is a possibility for the spouse of the employee to opt for the special regime if they meet the residence conditions and if his/her net taxable income is lower than the inbound expatriate's income.</p> <p>Individuals cannot have a permanent establishment in the Spanish territory.</p>
Benefits	<p>Income from work regardless of country of source is taxed at 24% up to €600,000, any excess at 47%.</p> <p>Interests, dividends and capital gains are taxed as follows:</p> <ul style="list-style-type: none"> <li>· Up to €6,000: 19%</li> <li>· Excess of €6,000 to €49,999 : 21%</li> <li>· Excess of €49,999 to €199,999 : 23%</li> <li>· Excess of €199,999 to €299,999 : 27%</li> <li>· €300,000 onwards: 28%<sup>3</sup>. Wealth tax is not levied on worldwide income, but just assets and rights located in Spain.</li> </ul>
Impact on social security	No.
Duration	<p>This tax scheme will be applicable in the tax year in which the individual acquires the Spanish tax residence and 5 following tax years.</p> <p>Election to apply for the special regime must be filed <u>within 6 months of arrival</u>. Prior application for a Spanish tax identification number is mandatory.</p>



# Countries with non-specific tax reliefs available for expatriates

## Comparison of main features

	China 	Poland 	United Kingdom 
Regime	-	Poland introduced a new tax relief applicable from January 1, 2022.	Tax reliefs/claims that can be made for individuals coming to work in the UK.
Tax resident in the concerned State	Yes.	Yes.	Yes: <ul style="list-style-type: none"> <li>· Remittance basis of taxation</li> <li>· Overseas workday relief</li> </ul> No: <ul style="list-style-type: none"> <li>· Temporary workplace relief</li> </ul>
Is prior tax residence taken into account?	Yes.	Yes.	Yes: <ul style="list-style-type: none"> <li>· Remittance basis of taxation</li> <li>· Overseas workday relief</li> </ul> No: <ul style="list-style-type: none"> <li>· Temporary workplace relief</li> </ul>
Other conditions:	-	The employee must have a connection with Poland (citizenship, Polish card, prior residence) or some other listed countries and have never benefited from the exemption in the past.	<ol style="list-style-type: none"> <li>1. Remittance Basis of taxation</li> <li>2. Overseas workday relief: The employee must not be considered domiciled in the UK;</li> <li>3. Temporary Workplace relief: agreement in place confirming the length of the assignment is less than 24 months.</li> </ol>
Benefits	Up to 33 % of a non-domiciled tax residents salary can be declared as non-taxable.	The tax relief regime covers personal income tax exemption up to PLN 85,528 per year.	<ol style="list-style-type: none"> <li>1. Remittance Basis of taxation : taxation on foreign income and gains only if remitted to the UK</li> <li>2. Overseas workday relief: Exemption of UK tax on foreign source employment income if paid and retained outside of UK</li> <li>3. Temporary Workplace relief: Exclusion of certain expenses from taxable income.</li> </ol>
Impact on social security	No.	No.	No.

# Countries with non-specific tax reliefs available for expatriates

## Features by country

	 <b>China</b>
Tax resident in the concerned state	To benefit from the tax relief regime, the employee must transfer his/her residence in China within the meaning of domestic law (i.e. he/she resides in China for 183 days or more in a tax year) and the double tax treaty between China and the concerned State.
Is prior tax residence taken into account?	Foreign employee who reside in China for 183 days or more per year for over six consecutive years will be subject to personal income tax on their worldwide income from the seventh consecutive year.  The "six-year" count is reset if the foreign employee spends more than 30 consecutive days outside of China during any tax year.
Other conditions	The employee needs to have a full-time contract and must be his/her only employment within China.
Benefits	<ol style="list-style-type: none"> <li>Up to 33% of a non-domiciled tax residents salary can be declared as non-taxable using appropriated fapiao (tax receipts).</li> <li>A deduction equal to 20% of the gross receipt is allowed when determining the income from labour services, author's remuneration, and royalties.</li> <li>A further deduction of 30% is allowable for author's remuneration.</li> </ol>
Impact on social security	No.  <u>Prior to 2022 there was an exemption in certain cities in China from the contribution of certain social security payments: this however has expired. The employee is entitled to reclaim their portion of contributions when leaving the country, but the employer cannot reclaim their contributions.</u>
	 <b>Poland</b>
Tax resident in the concerned state	The Polish tax relief regime applies to taxpayers who transferred their tax residence to Poland after December 31, 2021 within the meaning of domestic law. The taxpayer has to become subject to unlimited tax liability in Poland.
Is prior tax residence taken into account?	The taxpayer must not have been resident in Poland for tax purposes during the last 3 calendar years prior to transferring his/her residence in Poland.
Other conditions	In order to benefit from the tax relief regime, the taxpayer: <ol style="list-style-type: none"> <li>Needs to hold Polish citizenship, the Polish Card or citizenship of a EU member State or a State belonging to the EEA or Swiss Confederation; or</li> <li>Has resided continuously for at least three years in a EU member state or a state belonging to a EEA or Swiss Confederation, Australia, the Republic of Chile, the State of Israel, Japan, Canada, United Mexican States, New Zealand, the Republic of Korea, the United Kingdom of Great Britain and Northern Ireland or the United States; or</li> <li>Has resided continuously on the territory of Poland for at least 5 calendar years preceding the three-year period.</li> </ol> <ol style="list-style-type: none"> <li>Needs to have a certificate of residence or other evidence of residence for tax purposes of a foreign country;</li> <li>In the case of persons who transfer their place of residence back again to Poland – Have not previously benefited, in whole or in part, from the exemption.</li> </ol>
Benefits	Income up to PLN 85,528 in a tax year is tax exempt. It covers income from employment, chosen mandate agreements and individual business activity.  It does not cover the income from contracts for specific work (contract of enterprise).
Impact on social security	No.
Duration	The tax regime will be applicable the tax year in which the employee transfer his/ her residence in Poland and the 3 following tax years.  The tax relief is applicable while submitting the tax return. If the employee would like to apply the regime to the withholding tax, he/she may file a statement to the employer with such request.

# Countries with non-specific tax reliefs available for expatriates

## Features by country



	United Kingdom
Tax resident in the concerned state	<p>To benefit from the <u>Remittance Basis of taxation</u> or <u>Overseas workday relief</u>, the employee must transfer his/her residence in the United Kingdom within the meaning of domestic law and the double tax treaty between the United Kingdom and the concerned State.</p> <p>The employee does not need to be considered UK tax resident in order to qualify for the <u>Temporary Workplace relief</u>, he/she needs to work in the UK for a temporary basis (usually less than 24 months).</p>
Is prior tax residence taken into account?	<p><u>Remittance Basis of taxation</u> - The employee must not have been resident in the United Kingdom for tax purposes during the last 14 UK tax years to transferring his/her residence in the UK.</p> <p><u>Overseas workday relief</u> - The employee must not have been resident in the United Kingdom for tax purposes during the last 3 UK tax years to transferring his/her residence in the UK.</p>
Other conditions	<p><u>Remittance Basis of taxation /Overseas workday relief</u> – The employee must be considered as a UK tax resident but not considered domiciled in the UK.</p> <p><u>Temporary Workplace relief</u> – There should be a document / agreement in place confirming the length of the assignment. When the intention changes to remain in the UK for more than 24 months, the relief ceases at this point.</p>
Benefits	<p>Remittance basis of taxation - The remittance basis allows non-UK domiciled taxpayers to be taxed in the UK in respect foreign personal income and gains only to the extent that they are remitted to the UK (either directly or indirectly), rather than being taxed on them as they arise.</p> <p>Temporary workplace relief- Allowable deduction for taxable income for certain expenses including:</p> <ul style="list-style-type: none"> <li>· Accommodation costs including rent, utilities, council tax</li> <li>· Commuting costs from your temporary accommodation to your temporary workplace</li> <li>· Subsistence costs including food and eating out</li> </ul> <p>The deduction is only available for costs attributable to the individual, and an apportionment will need to be made for any accompanying family.</p> <p>Overseas workday relief - Overseas workday relief allows an individual to exclude the proportion of their employment income which arises in respect of work duties performed outside of the UK from UK income tax, provided that this income is paid and permanently retained outside of the UK.</p>
Impact on social security	No.



# Firms that contributed to this report

## Contributing member firms

Abbiss Cadres

BACCIARDI PARTNERS  
legal tax finance

bas

CECA MAGAN  
AVOCATS

FIDERE  
AVOCATS

GALAHAD  
LAWFIRM

KELLER  
MENZ

LOYENS Loeff

RSA asia  
ASIA TAX ADVISORS

## Correspondent firm partners

SK  
SOLTYSINSKI  
KAWECKI  
SZELEZAK

## CELIA ALLIANCE

Law & Tax for International HR

For more information or to speak to us, please get in touch.

[info@celiaalliance.com](mailto:info@celiaalliance.com)

© CELIA Alliance 2023

The term "CELIA Alliance" is used to describe an alliance of independent law and professional services firms which are not affiliated in the joint practice of law or tax advisory or other services. Each member of the CELIA Alliance is an independent practice and provides professional services on an entirely individual and separate basis unconnected to any other member of the CELIA Alliance.

### Disclaimer

Content is for general information purposes only. The information provided is not intended to be comprehensive and it does not constitute or contain legal or other advice. If you require assistance in relation to any issue please seek specific advice relevant to your particular circumstances. In particular, no responsibility shall be accepted by the authors or by CELIA Alliance member firms for any losses occasioned by reliance on any content appearing on or accessible from this article.