



# Remote Work Assistant

A PwC Product

The digital solution for  
remote work abroad



# Content

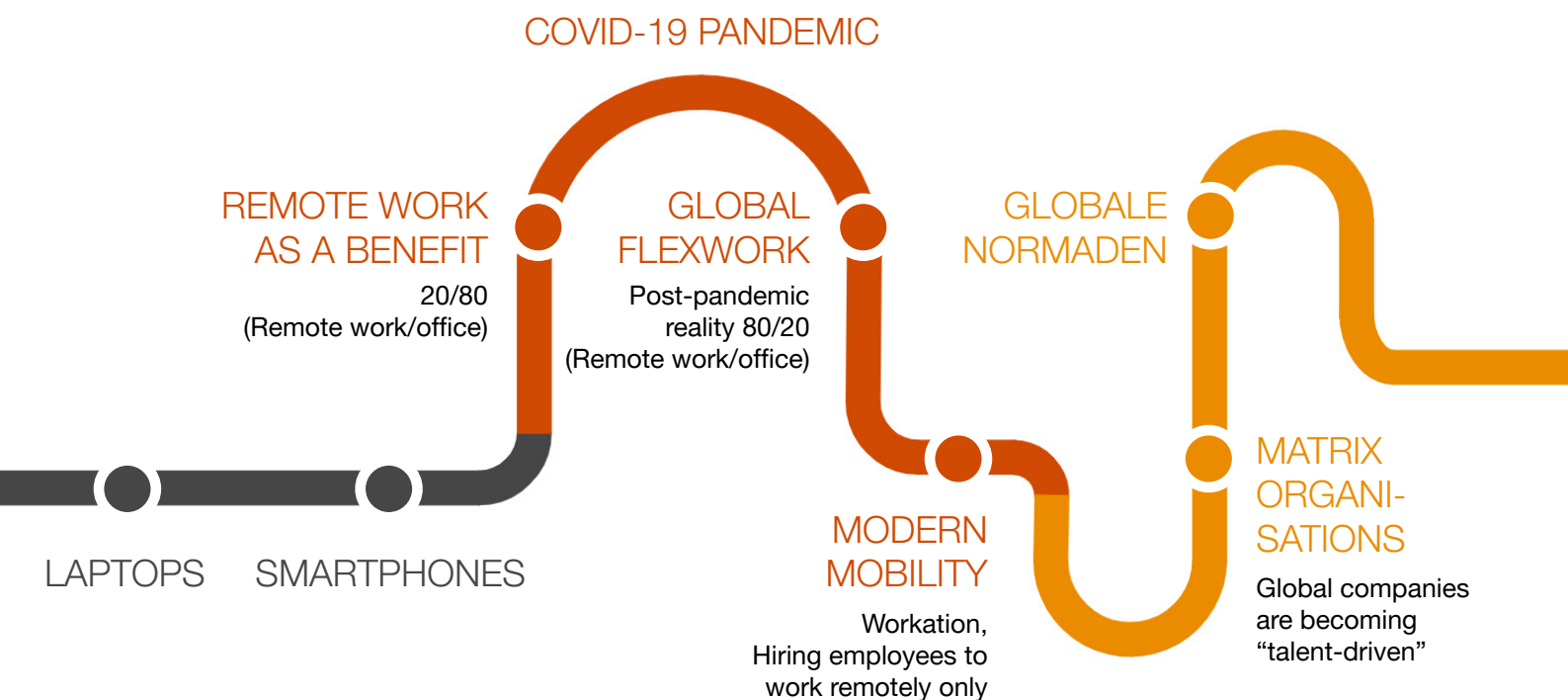
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# Your challenge

The COVID-19 pandemic has changed the way we live and work forever. More and more employees turn into digital nomads as remote work arrangements enable them to work flexibly in terms of location and time. Therefore, employees increasingly demand the establishment of flexible working structures from their employers on a permanent basis. In order to keep existing employees and attract new talent, companies must meet this request.

In the context of New Work, working from abroad is on the rise, often by combining it with holidays (workation). However, the place from which we work harbours a multitude of (tax) legal risks for both company and employee. Until now, these risks were either investigated on a case-by-case basis or only recognised afterwards. This is associated with time-consuming processes and considerable costs. The risks can also have significant consequences and penalties abroad, e.g. for non/late registration and declaration obligations.



# Your challenge

## TAX LIABILITY OF EMPLOYEES

- Establishment of a limited or unlimited tax liability abroad
- Right of taxation could be assigned to the foreign country in accordance with the provisions of the relevant double taxation agreements (DTAs)
- Possible double taxation throughout the year
- Obligation to file a tax return abroad

## SOCIAL SECURITY

- Change to the foreign social security system
- Justification of the “multi-state worker” status
- Higher contribution payments for employees and employers

## EMPLOYER'S OBLIGATIONS

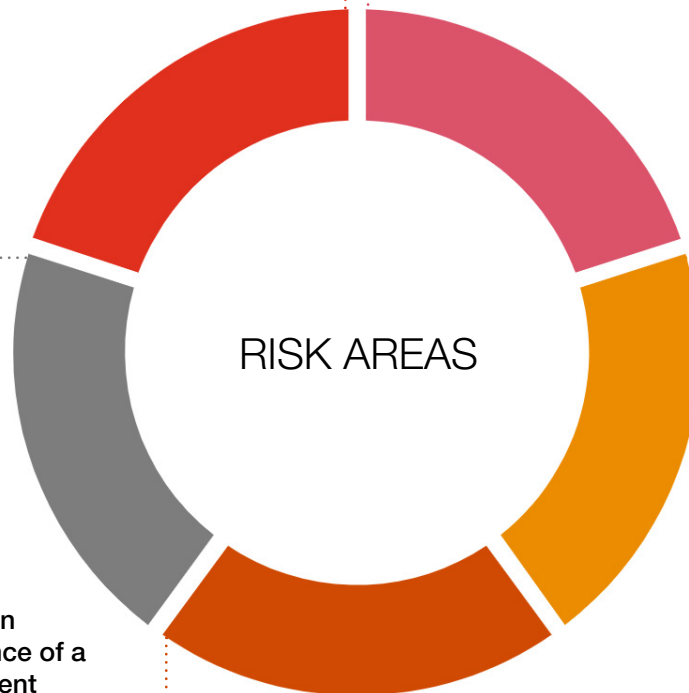
- Registration abroad for payroll tax and social security purposes
- Wage tax withholding obligation abroad as a foreign employer or in the case of the existence of a permanent establishment
- Application-linked exemption from wages in Germany

## CORPORATE TAXATION

- Permanent establishment risks in case of longer-term or regular activity abroad
- Income tax consequences for the company
- Potentially higher tax burden, as pro rata profits from permanent establishments are taxed abroad
- Tax registration and tax declaration obligations associated with high administrative effort

## RESIDENCE/EMPLOYMENT LAW

- Provisions of foreign residence law are to be taken into account
- Activities outside the EU or by non-EU citizens have to be examined in detail and bear more risk
- Foreign labour law might apply





# Our solution: the Remote Work Assistant

The Remote Work Assistant is a complete solution that bundles PwC's global (tax) legal expertise into one easy-to-use application for your employees, enabling temporary remote work in up to 40 countries.

Employees submit their applications for mobile work abroad via a web-based tool that collects all information relevant for the tax and legal assessment. The analysis is automated and made in real time. The tool covers labour law, wage tax, income tax, social security and income and VAT risks. The assessment is based on individual country information. Applications that can clearly be approved can be approved immediately, while requests that cannot be clearly approved are rejected. Manual efforts by HR and tax specialists only need to focus on medium-risk requests.

The status and approval state of applications can be viewed and evaluated via comprehensive dashboards. In addition, the tool's assessment logics can be customized to account for individual company requirements.

## STRENGTHEN EMPLOYER BRAND

Promote your company as an innovative employer to attract new talent!

## ENABLE NEW WORK

Engage your employees by offering an attractive benefit that is almost cost-neutral for you as an employer.

## MITIGATE RISKS

Remote work from abroad involves numerous (tax) legal risks. With our solution, these risks will be effectively mitigated. All decisions will be consistently documented.

## INCREASE EFFICIENCY

Our solution creates a fully automated decision-making process, minimising manual efforts for assessments and ongoing monitoring. As a result, you can free up capacity in your HR/Tax teams for more complex work.



# Our approach in 4 steps

WORK FROM ANYWHERE – IT'S THAT SIMPLE

## 1. PREPARATION

We discuss your individual requirements for mobile working abroad based on your company and employee structure. We also take into account any customised decision-making rules. If desired, we can also draw up your remote work policy in advance and provide you with (tax) legal advice.

## 2. IMPLEMENTATION

We set up a customised instance of the Remote Work Assistant for your company and connect it to your single sign-on environment. Your employees therefore do not need any access data and can use the tool at any time via their web browser.

## 3. USE

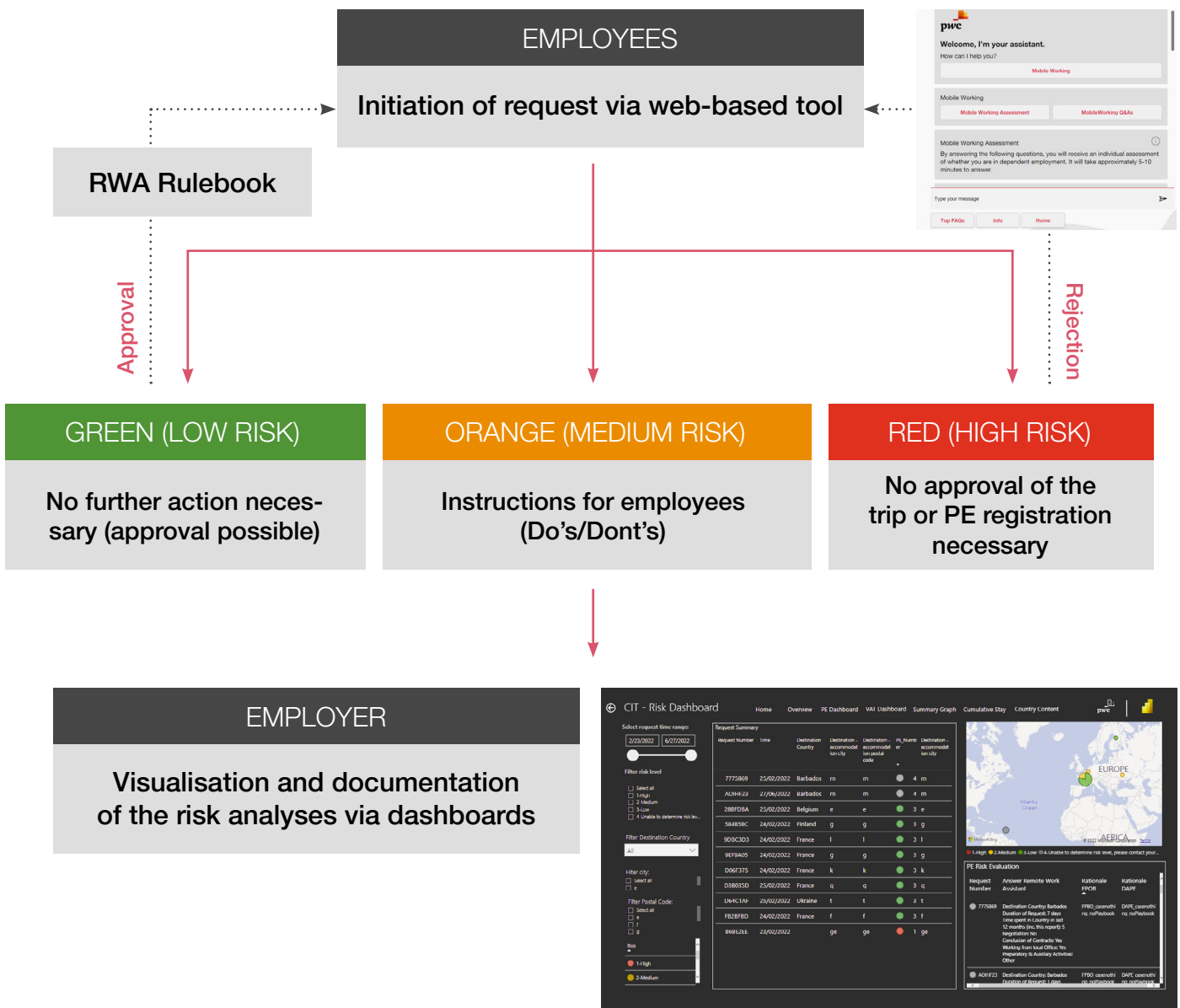
Employees enter their request for a workation into the tool and are guided through a travel-specific questionnaire. The risk classification is done in real time and takes into account country-specific regulations in up to 40 countries. Depending on the result, either an approval, rejection or targeted case-by-case assessment takes place if an individual (manual) consideration is to be made.

## 4. DOCUMENTATION UND VISUALISATION

All requests will be recorded and made available in dashboards to ensure comprehensive monitoring and reporting capabilities at any given time.



# Exemplary process

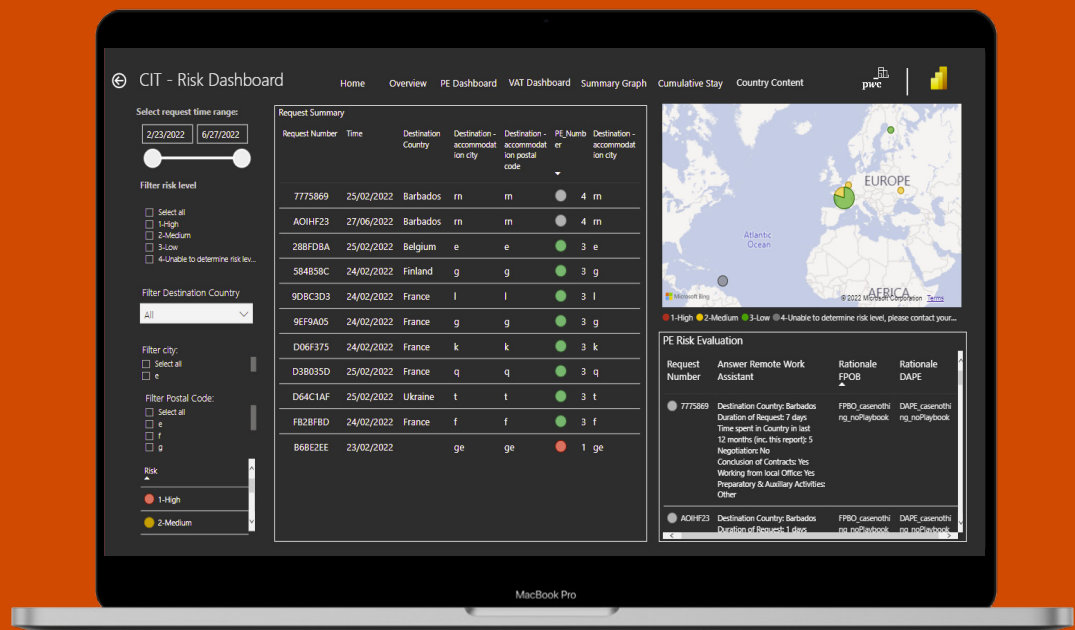


# Special feature

The dashboards provide you an overview of all remote work applications, including the results assessment, and that at any time.

The screenshot shows the 'PwC - Work Anywhere Assistant' interface. At the top, there is a 'Continue' button. Below it, a message states: 'You have reached the end of this application. Please confirm that you would like to apply for the international remote work in this form. You will receive an email with the form and an automated assessment. This will also be shared with and stored by your HR colleagues.' There are 'Yes' and 'No' buttons for confirmation. Below that, a message says: 'Based on the information provided, your request for temporary international work stay would require further assessment. MEDIUM RISK'. A 'Download Protocol' button is visible. At the bottom, there is a confirmation message 'The Email has been sent. Just now' and a text input field for a message, with 'Info' and 'Home' buttons.

Employees receive an immediate analysis of their remote work application (texts are exemplary)



Responsible parties can see every request via the individual dashboards and have access to detailed explanations to understand the result of the automated assessment.



## Answers to the most frequently asked questions

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### **How many countries does the Remote Work Assistant cover?**

The standard Remote Work Assistant package covers 20 European countries. This list can be extended to up to 40 countries for which all risks are assessed with regard to labour law, wage tax and social security as well as in relation to permanent establishments risks in terms of corporate tax, transfer pricing and VAT. On request, we can develop individual assessment logics for countries that are not on our list yet.

### **Is the country information updated regularly?**

Upon request, we can provide you with annually updated country information.

### **How high is the technical implementation effort for us?**

From a technical point of view, your company only needs to connect to your single sign-on environment. However, this is usually only a minor configuration effort.

### **What risks are highlighted in the permanent establishment analysis?**

Risks related to both permanent business establishment and dependant agent permanent establishments are assessed. The analyses are based on the legal interpretations of the relevant local laws and treaty interpretations of the local PwC network firms.

### **How long does it take to assess a remote work request?**

The risk assessment is carried out immediately in real time and fully automated after the employees have submitted their application via our tool. The check takes about 2-3 minutes.

### **How can I integrate the Remote Work Assistant into my existing processes?**

The web-based tool can be linked via your intranet, for example, and can be used immediately by all employees without separate login data thanks to the single sign-on connection. If you have specific requirements for the process, for example the forwarding of enquiries and the integration of your departments, these can be taken into account.



Visit our PwC Store!  
Here you will find further information and  
current prices for the Remote Work Assistant.

# Remote work is here to stay! Contact us.



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