

Payroll accounting – wherever you need it, at home or abroad

*Reliable, secure, efficient:
our individual and tailor-
made payroll solutions will
save you time, increase your
legal security and boost the
efficiency of your accounting
processes.*

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The background

Although payroll accounting is not a new concern, it is nevertheless an important one. This is not only because of the variety of legal requirements that need to be considered in payroll accounting, but also because personnel costs are among the largest cost blocks in many organisations. In addition to wage and salary disbursements, the costs associated with preparing payroll statements – including the cost of training payroll staff and continually updating the software – also need to be considered. Neglecting to do so means high liability risks, for example in the case of payroll tax and social security audits.

The challenge

Employees expect to be paid for their work in a timely and proper fashion. They also expect payroll statements to be in line with all legal requirements – as do employers and the tax and social security authorities. Moreover, employers have an interest in optimising – in accordance with the law – the burden of taxes and social security contributions. All this should be done as effectively and efficiently as possible, without tying up resources in task areas that are not part of a company's core competencies.

To meet these challenges, payroll staff must have solid knowledge and keep it constantly up to date. It is also crucial to carefully structure procedures and communication between all the parties in a company that are involved in the payroll accounting process or that provide information for it. This can entail very different requirements depending on whether, for example, the payroll accounting system is created for

- a smaller middle-market company with ten local staff members,
- a corporate group with several companies in Germany and some employees abroad,
- certain staff members (eg, exclusively for management or for expatriates),
- a foreign company with only one staff member in Germany or
- an international company that wants to centrally coordinate payroll accounting for employees in different countries via a shared service centre (either for all employees, including local ones, or only for expatriates).

The solution

Our specialists keep abreast of the latest developments in payroll tax and social security law, and carry out all payroll tasks for nationally and internationally operating companies. The figure on the following page provides you with an overview of our services.

Our payroll accounting services

Preparation

- Preparation of payroll statements for your employees, including all related notifications, declarations and attestations
- Preparation of bookkeeping journals and reports according to the individual needs of your business – also available in electronic form and, if necessary, on an internationally uniform basis
- Hypotax calculation for expatriates with a net salary agreement

Additional services

- Communication with the contacts on your end in German or English
- On-site training and support for your payroll accountants (on request)
- Processing of payment transactions in payroll accounting through a trust account (on request)

Advising

- Expert advice and staff support during all regulatory audits, in particular payroll tax and social security audits
- Advice on individual payroll tax and social security issues
- Advice on cross-border payroll accounting

Supplementary services

- Support in developing new processes and procedures as well as optimising existing ones
- Preparation of requests for payroll tax reduction and of income tax returns, especially for your expatriates and the partners of your company
- Clarification of civil and labour law issues in cooperation with PricewaterhouseCoopers Legal AG Rechtsanwalts-gesellschaft

Your benefits

Transferring your payroll accounting to PwC will allow you to focus on running your business and your core competencies.

Using standardised and proven processes, we provide the requested services efficiently and on time, taking into account your individual needs.

Our extensive resources and years of experience guarantee that you will receive secure and competent service. In addition, our proactive approach ensures that you will always be informed about the latest developments in payroll tax and social security law and enjoy a competitive edge.

Thanks to our extensive experience advising international clients, we have profound specialised knowledge about the specifics of accounting for expatriates and for those with a net salary agreement.

If you need payroll statements for your foreign subsidiaries and branches, or for individual employees sent or hired abroad, we can coordinate your payroll accounting across countries. Statements are always created by specialists within the PwC network in the relevant country. Our employees in Germany are at your disposal for all related matters, including coordination.

Our expertise

Together with our local teams across Germany, we have been carrying out payroll accounting for both local employers and international clients for many years. Currently, we create around 8,000 payslips per month. Due to our clients' diverse individual requirements, we are well-versed in finding solutions tailored to each client. Bearing in mind the latest developments in legislation and jurisdiction as well as investing continually in our employees' training are a matter of course for us.

When employees work outside their home country or in several different countries, we can draw on the expertise of local specialists in PwC's international network. In this way we provide you with payroll accounting services encompassing both national and international facets from a single source.

About us

Our clients face diverse challenges, strive to put new ideas into practice and seek expert advice. They turn to us for comprehensive support and practical solutions that deliver maximum value. Whether for a global player, a family business or a public institution, we leverage all of our assets: experience, industry knowledge, high standards of quality, commitment to innovation and the resources of our expert network in 157 countries. Building a trusting and cooperative relationship with our clients is particularly important to us – the better we know and understand our clients' needs, the more effectively we can support them.

PwC. 9,300 dedicated people at 28 locations. €1.55 billion in turnover. The leading auditing and consulting firm in Germany.

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