Handling international tax matters

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Roadmap

Creating a Framework
- Institutional factors
- Key on-campus partners
- Program type
- Stage of involvement

Major Considerations
- Permanent establishment
- International workforce
  - Sending individuals abroad
  - Hiring local nationals
- Establishing foreign legal presence
- International law initiatives

Framework

Before analyzing a problem, understand:

- Your institution's approach and experience with these problems
- Who (if any) your on-campus partners are
- What type of program or activity is being discussed
- What stage the process is currently in

Framework: Institutional Factors

Institutional resources
- Does your institution have enough international matters to justify a global resources team?
- Are there enough international matters to justify dedicated resources or will people do international work as part of their main job?

Experience in global activities
- Is the issue familiar? Do you have a frame of reference? Or will you need to reach out to outside advisers?
- If you don't have experience are there others with experience handling similar issues?
- Do you have experience with this country from previous matters?

Importance of global programs
- Are global programs critical to the institution's mission? If yes, you might get more support.
- If global is not generally important, is the particular program being discussed of some particular importance?

In-house expertise
- What in-house expertise can you leverage?
  - Other central legal/finance staff
  - Departmental staff

Framework: On-Campus Partners

HR & Academic HR
- HR: visas, international HR practices & conformance to US HR practices
- Benefits: extension of US benefits to expatriates and foreign employees

Office of General Counsel:
- Legal compliance
- Contracts with local counsel

Export Controls:
- Compliance with export control requirements
- Deemed exports

Accounting & Business Office:
- International funds transfer
- Accounting practices for international offices

Sponsored Programs:
- Cost allowability
- Subcontractor and sub-awardee requirements

Framework: Program Type

Research
- Hiring vs. subcontracting
- Permanent establishment?
- Entity creation and CbCR

Academic (degree-granting)
- Legal registration
- Faculty hiring
- Accreditation
- Repatriation of funds
- Brand and corporate control/corporate governance

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