

<p><b>Working Rights</b> Low Risk</p>	<p><b>Payroll Tax</b> High Risk</p>	<p><b>Social Security</b> Medium Risk</p>	<p><b>Corporate Tax</b> Medium Risk</p>	<p><b>Employment Law</b> Medium Risk</p>	<p><b>Overall Trip</b> Medium Risk</p>
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### Compliance Checklist

- Compliance with Internal Policy** ⬇ ✖

Trip duration exceeds policy days.
- Work Entitlement** ⬇ ✔

You indicated that the employee has the right to work in India. We recommend reviewing all relevant employee documentation ahead of their trip.
- Visa Requirements** ⬇ !

Visa required.

Please note that business visas generally only allow holders to participate in tasks such as conferences, company meetings, training, networking events or investigating business opportunities. Business visas vary from country to country and should always be researched carefully.

Medical attendant visas are valid when traveling together with a passenger visiting India for medical purposes. Indian visa stickers have no seal/signature from the issuing authority. Valid visa stickers and e-visa stamps in expired passports are accepted if accompanied by a valid passport of the same nationality. Valid e-visas (Electronic Travel Authorizations- ETA) issued against a passport that has expired are accepted if accompanied by a valid passport of the same nationality. Visa extensions possible. India does not permit dual nationality for nationals of India. An Indian national with dual nationality must contact the embassy/high commission for further information.
- Payroll Tax** ⬇ !

This scenario is considered High Risk therefore pay particular attention to payroll withholding obligations.

Payroll withholding obligations start on day 1.

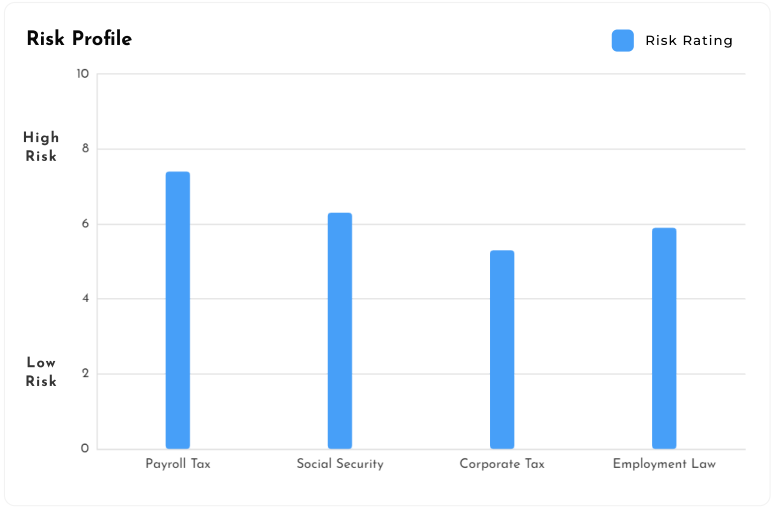
It's recommended to weigh up the time and cost of setting up payroll withholding versus the potential cost of non-compliance.
- Social Security Certificate** ⬇ !

This scenario is considered Medium Risk.

There is no social security agreement in place, therefore extra caution is advised as there is a risk of dual liability for both the employer and employee.
- Corporate Tax** ⬇ !

This scenario is deemed Medium Risk so consider modifying the duties of any employees with high-risk Permanent Establishment (PE) roles to limit them engaging in high-risk PE activities such as signing sales contracts, generating intellectual property (IP) or engaging in senior decision-making.
- Employment Law** ⬇ !

This scenario is considered Medium Risk. Consider seeking local employment law advice.



### Detailed Summary

**Payroll Tax** 7.4 / 10

Highest Income Tax Rate (Host): 30%  
 Highest Income Tax Rate (Home): 50.3%  
 Lookback Criteria up to: 7 years  
 Employer Wage Tax Registration Trigger: 1 day(s)  
 Double Tax Agreement: Yes

- The higher the income tax rate, the greater the potential size of the back taxes you will need to pay.
- When a country has lookback criteria, it increases the risk of authorities being able to go back and retrospectively penalise you for any errors or omissions made.
- Employer wage tax registration requires employee and employer actions in order to facilitate payroll withholding obligations.
- The presence of a Double Tax Agreement significantly decreases the risk to both the employee and employer as it means you should be able to avoid being double taxed in both home and host jurisdictions.
- Pay close attention to the payroll withholding trigger days. Strictly speaking, the employer should withhold taxes from this day onwards, following the employee's arrival in-country. If not, consider the risks carefully.
- Note: As India has a decentralized tax system, rates may vary by region.

**Corporate Tax** 5.3 / 10

Corporation Tax Rate (Host): 40%  
 Corporation Tax Rate (Home): 21%  
 Permanent Establishment Risk: High likelihood  
 Double Tax Agreement: Yes  
 Economic Employer Approach In Place: Yes  
 Multilateral Convention In Force: Yes

- Higher PE risk increases the likelihood of triggering significant corporate tax obligations and drives the need for a more permanent solution like establishing a legal entity.
- The Economic Employer Approach increases the risk of using third-party employment solutions.
- The presence of the Multilateral Convention increases the PE risk.

Indian case law signals a very wide definition of Permanent Establishment (e.g. Hotel rooms, business travellers visiting, etc.). Furthermore for Services Permanent Establishment see also the 1 day threshold which can kick in immediately for US/Canada tax treaties and for 30 days for a number of other countries.

**Social Security** 6.3 / 10

Employer Soc. Sec. Tax (Host): 12%

**Employment Law** 5.9 / 10

General Legal Risk: High  
 Remote Work Legislation In Place: Yes

Employee Soc. Sec. Tax (Host): 12%  
Employer Soc. Sec. Tax (Home): 7.7%  
Employee Soc. Sec. Tax (Home): 7.7%  
Bilateral Social Security Agreement In Place: No

As there is no agreement in place, it is advisable to look at the Host Country requirements in order to avoid any unforeseen costs.

International workers are required to contribute to the Employees Provident Fund and employee pension schemes. An 'international worker' is defined as:  
- an Indian employee having worked, or going to work in a foreign country; and  
- an employee, other than an Indian employee and not holding an Indian passport, who is working for an establishment in India to which the Employees Provident Fund Act 1952 applies.

Where there is a social security agreement between the foreign country and India, the inbound/outbound employees may remain on their country of origin's social security scheme.

### 🏠 Employee Residency

Highest Income Tax Rate (Host): 30%  
Highest Income Tax Rate (Home): 50.3%  
Individual Residency Days: See local criteria

#### Tax Residency Definition:

An individual is resident in India if he spends at least:

- 182 days in India; or
- 60 days in India in a relevant year and at least 365 days in India in the preceding 4 years. The 60-day threshold is increased to 182 days for Indian citizens working overseas who come to India for the purpose of visits. Finance Act 2020 reduces the period to 120 days (earlier 182 days) in cases where the total income of such visiting individuals during the financial year from sources in India, other than foreign sources, exceeds INR 1.5 million.

A resident individual is "not ordinary resident" if he has been a non-resident in 9 out of 10 preceding years, or has been in India for less than 729 days during the preceding 7 years. Finance Act 2020 further provides that Indian citizens or persons of Indian origin who come to India on a visit and who meet the 120 days criteria and the INR 1.5 million "income, other than foreign income" threshold, but spend less than 182 days in India, shall be regarded as Resident but Not Ordinarily Resident (RNOR). The CBDT Circular 11/2020 of 8 May 2020 has clarified that for individuals who have come to India on a visit before 22 March 2020 and were unable to leave India on or before 31 March 2020 due to the COVID-19 pandemic, the period of stay in India between 22 March 2020 and 31 March 2020 shall not be considered when determining tax residence.

Please note that these residency triggers are not the same for employers as they are for individuals.

Standard Workday: 9 hours  
Paid Annual Leave: 15 days  
Restrictions on Overtime: Yes  
Notice Period (1 yr tenure): 4.3 weeks  
Severance Pay (1 yr tenure): 2.1 weeks

- Given the high legal risk, extra caution is advised. In the event of a dispute, labour laws more frequently favour employee rights and can lead to fines for the employer.-  
The presence of remote work legislation means people can work from home within that country, but does not necessarily mean somebody can work remotely from abroad.

### 📄 Legal Right to Work

You indicated that the employee has the legal right to work at their destination. We recommend reviewing all relevant employee documentation ahead of their trip.

### 📍 Visa & Immigration

Visa required.

**Visa Exemptions:** Passengers with a Person of Indian Origin (PIO) card. Passengers with a Person of Indian Origin (PIO) card that expired after 9 January 2015. Passengers with an Overseas Citizen of India (OCI) card or booklet. A physical OCI card or booklet is required. A digital or photocopy of the OCI card or booklet is not accepted. Passengers with a Person of Indian Origin (PIO) card. Passengers with an Overseas Citizen of India (OCI) card or booklet. A physical OCI card or booklet is required. A digital or photocopy of the OCI card or booklet is not accepted.

**Additional Information:** Business visas generally only allow holders to participate in tasks such as conferences, company meetings, training, networking events or investigating business opportunities. Note that business visas vary from country to country and should always be researched carefully. Medical attendant visas are valid when traveling together with a passenger visiting India for medical purposes. Indian visa stickers have no seal/signature from the issuing authority. Valid visa stickers and e-visa stamps in expired passports are accepted if accompanied by a valid passport of the same nationality. Valid e-visas (Electronic Travel Authorizations- ETA) issued against a passport that has expired are accepted if accompanied by a valid passport of the same nationality. Visa extensions possible. India does not permit dual nationality for nationals of India. An Indian national with dual nationality must contact the embassy/high commission for further information.

Note: Visa & Immigration requirements are based off of the assumption that the employee's departure country is the same as the country where they are currently employed.

### 🛂 Passport

Passport required.

**Transit Restrictions:** Passports must be machine-readable to enter.

**Document Validity:** Passports and other documents accepted for entry must be valid for the period of intended stay.

**Warning:** Passengers with a visa or an e-visa valid for more than 6 months are allowed to stay for a maximum of 180 days in a calendar year. Passengers with a Persons of Indian Origin (PIO) Card must change their PIO status to Overseas Citizenship of India (OCI) status before 31 December 2023. Effective from 1 January 2024, passengers with a Persons of Indian Origin (PIO) Card will not be allowed to enter. Passengers with an Overseas Citizen of India (OCI) card must apply for a new Overseas Citizen of India (OCI) card only once when they obtain a new passport after turning 20 years old.

### 🏥 Health

**Health Requirements:**

**Yellow Fever Vaccination:** Passengers transiting countries with risk of yellow fever transmission if not leaving the transit areas.

### Search Criteria

Purpose Work From Anywhere	Employee Employed In United States of America	Destination India	Duration of Trip 30 Days	Entity in India Yes
Role Type Software Engineer	Legal Right to Work Yes	Role Seniority Low	Citizenship of Employee United States of America	Contract Signing Authority No

Disclaimer: Please note that The Work From Anywhere Team Limited provides a high level risk assessment. It considers the individual's specific circumstances as shared via the search criteria and is therefore limited by the accuracy of the inputs. There may be additional nuances to the hiring scenario or work trip that have an impact on the risk outcomes. This is not an in depth assessment similar to services offered by a tax law firm, rather it is meant as a guide to assess your high level risks. In addition, the compliance logic is driven by customizable parameters and risk appetite of the employer. For each assessment, it is ultimately the decision of the employer to weigh up the risks when considering whether to approve a hire or trip.