

## International Benefits

As the economy becomes increasingly global, even in the economic downturn, US-based and other multinational companies increasingly face international issues in their employee benefits – whether because of global investing, increasing mobility of the workforce, or efforts to rationalize benefits across borders. Groom assists with international benefits in a number of ways, including:

- Assistance with the tax effects of global investing by plans, such as tax treaty issues and tax reporting.
- Advising on the tax consequences of alternative investments, hedge funds and private equity – including Unrelated Business Income Taxes, feeder and blocker corporations, treaty withholding and "effectively connected" income.
- 409A issues, when they apply to non-US plans and non-US executives, and structuring plans to avoid inadvertent 409A coverage.
- Employee Retirement Income Security Act (ERISA) compliance, including when a plan may become subject to ERISA.
- Advising on issues related to new Internal Revenue Code section 457A, which imposes onerous tax treatment on U.S. taxpayers receiving nonqualified deferred compensation – and certain equity and performance-based compensation – from certain foreign entities.
- Assistance with the non-US tax and legal implications of specific plans and investments – though Groom only practices US law, we have extensive contacts and regularly work with local non-US tax and benefits counsel and non-US regulatory agencies to coordinate both US and foreign compliance.
- Advising on the deductibility of contributions to non-US plans, such as 404A plans and use of American Depositary Receipts in Employee Stock Ownership Plans.
- Puerto Rico plans, including ERISA and US tax issues.