



GLOBAL EQUITY
MOBILITY SOLUTION

Client Success Story

COMPANY BACKGROUND

A cloud-based technology company realized they weren't fully compliant with payroll reporting and tax withholding requirements for their globally mobile employees.

Company Issues

A review of the company's entire tax provision process identified many issues. Left unchecked, the company was exposed to substantial audit risk.

With thousands of employees around the globe and equity awards carrying a monthly vesting schedule and an unpredictable employee exercise process, the company needed help to address the global reporting and withholding obligations around equity compensation.



A review of the company's global equity program identified tax compliance issues and inconsistencies with local payroll departments. Left unchecked, the company was at risk of fees and penalties up to six figures.



Withholding amounts for each jurisdiction required timely calculations for the release of shares and security filings for executives. Calculating the tax withholdings manually was inefficient and prone to error.



The company was spending thousands of dollars annually to calculate tax withholdings for its mobile employees.



BDO's Solution



BDO worked with the company to implement our Global Equity Mobility Solution which automates the tax withholding calculations and provides location-specific income tax and withholding reports.



BDO integrated with the company's existing equity administrator to provide tax logic covering all jurisdictions and all forms of employee equity, including stock options, stock appreciation rights (SARs), performance share units (PSU) and restricted stock units (RSU).



Local BDO tax professionals supported executives and payroll departments across the globe and continue to offer consultative support.



During the implementation process, BDO was able to uncover and educate the company on issues that needed immediate attention. By understanding the global touch points and individual country requirements, BDO provided additional compliance and consulting services to support the company's global mobility and expatriate tax needs.

Company Benefits



Payroll tax and withholding calculations are executed in real time, allowing the company to comply with complex tax requirements in all jurisdictions (countries, provinces, states and municipalities).



BDO's automated solution reduces the amount spent per calculation and saves the company time, allowing their team to focus on other valuable activities.



Audit reports are provided, making it easy to communicate withholdings with company executives.



The company can run what-if scenarios to plan for upcoming taxable events.