Tax Process Roadmap



During the year, withholdings are done on company income items. It an individual is on active assignment, these are "hypothetical" witholdings

Hypothetical Tax or Actual Tax Withholdings



Additional tax withholdings special payments such as incentives, LTI, RSU Dividend Equivalents, Awards

Withholding Rates on Special Payments May Differ from Regular Income



Abbott provides summary of annual compensation, assignment wage declaration, and LTI detail to tax provider

Tax Provider is authorized to prepare home/host returns



Vialto Partners will review documents, prepare tax returns, provide instructions to employee & company, and follow up with tax authority inquiries

Tax Returns and Payment Instructions to Assignee



The tax settlement (Tax Equalization/TEQ) will assess what the employee would have paid without assignment income

Tax Settlement Provided to Assignee and Company

Hypothetical tax rate:

- · Based on Income
- Family Size
- Marital Status
- Home Country Tax Rates

Responsibility of Assignee:

- · Complete Tax Questionnaires on Time
- Provide all Requested Supporting Documentation on Time
- Sign/Submit Tax Returns & Payments per Instructions
- Remit any Refunds to Company as Instructed

Payment Made to Employee/From Employee to Company

If the settlement shows too much was withheld, a refund will be issued to the employee. If additional funds are owed, payment is due to the company