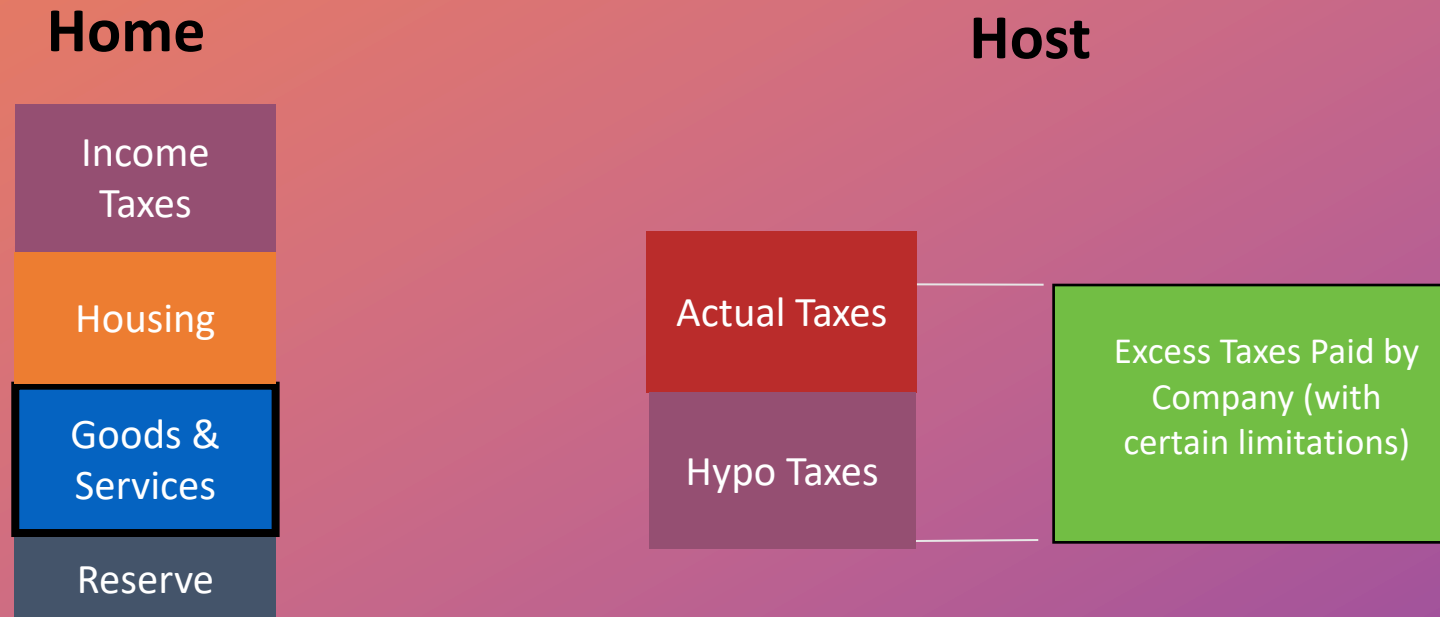


Understanding Tax Equalization



In basic terms, tax equalization is a compensation approach used to neutralize the effect of a global assignment on an assignee's personal tax liability. Under the tax equalization approach, **the assignee should pay approximately the same taxes had they remained in their Home country.**