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Global Made Possible

Your **Global Payroll Compliance Checklist**

Before your company takes the leap and starts hiring employees in new global markets, it's important to know how to navigate the challenges of international payroll – from unexpected tax regulations to complex labor laws and worker classification rules.

To give you peace of mind and simplify your global growth journey, here are key guidelines to achieve compliant global payroll.



How to implement a compliant global payroll system

Worker categorization

It's vital to know the differences between worker types (employees vs. contractors) to ensure you classify your international team members correctly, avoid penalties and legal implications, and protect your company's intellectual property.

Data protection regulations

Employee payroll information is very sensitive and requires robust data protection measures.

While you may be familiar with data security regulations in your home country, running global payroll means having to comply with data legislations in different locations, such as [GDPR](#) in Europe or [PDPA](#) in Singapore.

Global salary benchmarking

Be aware of cross-border salary differences. Say your company hires software developers in the UK and Ireland. Even though these workers carry out the exact same role, their compensation [will be different](#) due to the varying taxes, market standards, allowances, benefits, contributions, and exchange rates.

For example, the employee in the UK might take home circa GBP 47,500 after taxes. However, the employee in Ireland would receive about GBP 34,900 for the same job. Make sure to consider location, industry, and role level to ensure fair and competitive compensation for your global workforce.

Payment currency

It's important to specify how, when, where, and in what currency you plan to pay your international workers. Keep in mind that location may impact the currency and law that applies to the employment relationship.

In the Philippines, private-sector employers are required to pay workers a "[13th-month pay](#)" no later than Dec. 24. Failure to provide this compensation can lead to legal consequences and employee discontent.

Benefits

Companies must pay careful attention to the different statutory benefits in each global worker's country. Pension requirements, sick leave, health insurance, and maternity leave can vary significantly from country to country.

For example, France funds a gratuity pension program [by taxing a percentage of employee income](#).

End of service

In some countries, like Italy and Israel, the employer is required to cover end-of-service or gratuity payments, which are held by the employer or, in most cases, paid into a separate fund that will transfer to subsequent employment if the employee leaves.



How we help

Make the world your hiring platform with our all-in-one global employment solution.

Our #1 SaaS-based Global Employment Platform™ streamlines:

- Payroll
- Taxes
- Benefits
- HR functions

With G-P, your company can hire top talent across the globe quickly without having to set up an entity or engage with multiple payroll providers.

We handle international administration, compliance, and data protection, so your company is free to focus entirely on day-to-day activities and managing your employees.

Learn more about how G-P can help manage your global payroll.

GET STARTED TODAY



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