

GDC Handbook

International Assignments (country specific)

People's Republic of China (China)

Assignment

Rochester Institute of Technology (RIT) has entered into an agreement for the delivery of joint degree programs, B.S. Management Information System (MIS) at the Weihai Campus of Beijing Jiaotong University (BJTU) and M.Sc. Technology Innovation Management and Entrepreneurship (TIME) at the Beijing Campus of BJTU.

Staff in the RIT Global Office will prepare and present to you a contract with specifics for your assignment and indicate if travel to China is required. Once the contract is executed and if travel is required, the Global Programs Specialist will provide additional information, arrange the flights and assist with securing the necessary visa at no cost to you.

Your teaching or administrative assignment to one of these programs may require additional steps to be completed to ensure compliance with home and host countries' laws and regulations.

General Responsibilities of the Employee

GDC must abide by certain obligations and responsibilities, including the requirement to comply with the laws and regulations regarding immigration and taxation of the countries and local jurisdictions to which employees travel. At all times, employees are responsible for adhering to these guidelines.

Your GDC assignment and/or employment will be conditional on the necessary documents, such as visas, work and residence permit being granted.

Travel

Please refer to the [GDC Travel Policy](#) for further details regarding travel arrangements and approved expenses for reimbursement

Accommodations

Weihai Only: BJTU will provide you with suitable living accommodations for the duration of your assignment in Weihai. At the end of your term you will be responsible to pay the apartment utilities in person and GDC will reimburse you in accordance with GDC's travel policy.

Beijing Only: GDC will reimburse you for your lodging expenses at a preapproved hotel in close proximity to the assigned campus in accordance with GDC travel policy.

Spousal/Partner Support

Your assignment is a single and unaccompanied assignment. GDC will not pay for any partner or family travel and/or accommodations and/or expenses.

Payroll

Biweekly payroll is processed through Paychex and a U.S. address is required. Net pay is received either through direct deposit to a U.S. bank account or a payroll check sent to the U.S. address on file. If a U.S. address and/or U.S. bank account is not maintained while on assignment, payroll cannot be processed. You are required to notify the GDC payroll specialist of any changes. GDC's payroll specialist can assist you with your concerns or questions.

Taxation

Due to GDC's global presence, employees (herein "Assignees") are expected to exercise care in minimizing the liability for worldwide taxes by complying with both host and home country laws and regulations.

GDC will support assignees who are required to comply and pay host-country (Chinese) taxes for the days worked abroad. GDC has engaged with a global tax consultant (herein "consultant") to assist with calculating tax liabilities/preparing filings and GDC will make these tax payments on your behalf to the appropriate Chinese taxing authority. Taxes paid on your behalf, even taxes paid to a foreign government, are considered income to you by the United States government and, therefore, will be reported on your Form W-2 as earnings for the calendar year in which they were paid.

GDC agrees to pay additional State and FICA/Medicare taxes on your behalf, based on the Chinese taxes paid during that calendar year, utilizing the State and FICA/Medicare rates in effect at the time. This amount will also be added to your Form W-2 for the calendar year in which the taxes were paid.

How your tax responsibility will be calculated and managed will be dependent on your employee classification, if you are assigned to work outside the United States (U.S.) and the length of that assignment.

➤ Lecturer or administrator Teaching In-Person for at Least 16 Continuous Weeks

- GDC will assist you in following the procedures outlined in the document "*International Assignment Tax Equalization Policy With Hypothetical Tax Withholding*".
- The objective of tax equalization is to ensure that an international assignment neither adds significantly to an Assignee's tax liability nor results in significant tax savings, due to differences in income and social security tax costs between the United States (herein "U.S.") and China.
- Once the Consultant completes the applicable U.S. and China tax filings for the year, a tax equalization calculation is computed resulting in a final hypothetical tax obligation. This is the amount the Assignee would have incurred if they had stayed in the U.S. The calculation compares the final hypothetical tax obligation with the estimated hypothetical tax withheld from pay, plus any actual taxes paid by the Assignee and minus any refunds received directly by the Assignee. This analysis results in a balance due to/from GDC. The settlement of this balance represents the completion of the year's tax equalization process.
- Refer the document mentioned above for a more detailed explanation of this process.

➤ Lecturer or administrator Teaching In-Person for Less Than 16 Continuous Weeks

- GDC will assist you in following the procedures outlined in the document "*International Assignment Tax Equalization Policy Without Hypothetical Tax Withholding*".
- The objective of tax equalization is to ensure that an international assignment neither adds significantly to an Assignee's tax liability nor results in significant tax savings, due to differences in income and social security tax costs between the United States (herein "U.S.") and China.
- Once the Consultant completes the applicable U.S. and China tax filings for the year, a tax equalization calculation is computed resulting in a final hypothetical tax obligation. This is the amount the Assignee would have incurred if they had stayed in the U.S. The calculation compares the final hypothetical tax obligation to the actual taxes paid by the Assignee and minus any refunds received directly by the Assignee. This analysis results in a balance due to/from GDC. The settlement of this balance represents the completion of the year's tax equalization process.

- Refer the document mentioned above for a more detailed explanation of this process.

➤ **Adjunct Teaching In-Person for any period of time**

- GDC will assist you in following the procedures outlined in the document ***“International Assignment Tax Gross up Policy”***.
- The objective of tax gross-up is to prevent the international assignment fringe benefits from adversely impacting an Assignee’s overall tax liability. It involves increasing the taxable value of the benefit (e.g. Chinese taxes paid on behalf of employee) by having the employer cover the tax the employee would owe on that benefit. The Assignee is responsible for filing their own U.S. tax returns. GDC will pay for tax preparation services in any year that you are assigned to work in China. GDC will pay up to \$750.00 per year for tax preparation services. Tax preparer’s invoices need show itemized expenses for each return and must be submitted on company letterhead directly to GDC’s payroll specialist, for repayment. If your tax preparation services exceed \$750.00 you will be responsible to pay your tax preparer the difference.
- Refer the document mentioned above for a more detailed explanation of this process.