

Global Tax Experts Expose Hidden Risks in EoR/AoR International Workforce Strategies

The Promise of EoR/AoR Models

LONDON, UNITED KINGDOM, June 12, 2025 /EINPresswire.com/ -- Nimble Global, a leading international workforce compliance firm, today unveils critical insights into the complex tax risks facing companies



using Employer of Record (EoR) and Agent of Record (AoR) services for global expansion.

The comprehensive analysis exposes significant permanent establishment (PE) risks that many

businesses unknowingly face when expanding internationally through seemingly straightforward employment arrangements.

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EoR and AoR solutions are not a silver bullet for international expansion; companies must carefully align their operational realities with their legal structures to avoid substantial tax risks."

David Ballew, CEO

Key Findings:

☐80% of companies using EoR/AoR services may be exposed to unexpected tax liabilities

☐ Tax authorities are increasingly focused on "substance over form" in international workforce arrangements

□Flexible work models create complex permanent establishment challenges

Critical Risks Highlighted:

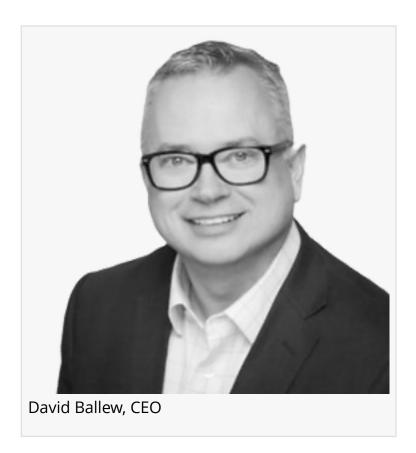
□Expanded global tax enforcement across over 100 jurisdictions

□Sophisticated "virtual PE" concepts emerging in multiple countries □Potential for retroactive tax assessments spanning 3-7 years □Penalties ranging from 20-100% of unpaid tax liabilities

Country-Specific Enforcement Rankings

The research identifies the most aggressive PE enforcement jurisdictions:

- 1. India
- 2. Italy
- 3. France
- 4. Germany
- 5. Brazil
- 6. Australia



Recommended Strategies

Crossborder Solutions advises companies to:

Conduct comprehensive tax structure reviews

Implement robust functional separation

Restructure management and control mechanisms

Seek specialised international tax advisory services

Availability

The full article by <u>David Ballew</u>, 'Global Tax Experts Expose Hidden Risks in EoR/AoR International Workforce Strategies' is available <u>here</u>.

About Nimble Global

Since its founding in 2019, Nimble Global has established itself as a leader in international workforce compliance, delivering measurable results through data-driven methodologies and innovative technology. With headquarters in London and projects spanning 90+ countries, we combine local expertise with global reach to transform how organisations manage compliance. Our diverse team of specialists continuously develops new benchmarks and solutions, positioning us at the forefront of compliance and consultancy evolution.

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