Postings Abroad

Your employer can post you to another EU country to carry out a temporary service. During this period, you will acquire the status of a "posted worker" and benefit from special working conditions and rights. While posted to another EU country:

- you won't need a work permit;
- you won't need to have your professional qualifications recognised. However, you may need to make a written declaration for some professions.
- you won't have to deal with pension bodies from different countries when you retire - your host country's institutions will not be involved.

Which country can tax you?
There are no EU-wide rules that say how EU nationals who live, work or spend time outside their home countries are to be taxed on their income. However, the country where you are resident for tax purposes can usually tax your total worldwide income, earned or unearned. This includes wages, pensions, benefits, income from property or from any other sources, or capital gains from sales of property, from all countries worldwide.

Social security cover while abroad
Which country provides Social Security coverage depends on 2 factors: 1) your work situation (employed, self-employed, unemployed, posted abroad, working across the border from where you live, etc.) and 2) your country of residence - not your nationality. You may not choose which country you will be covered by.

As a posted worker, you will continue to be covered by the Social Security system of your home country for a maximum of 2 years. This will have no impact on your or your family's social security rights: health cover, family allowances, disability or old-age pension, etc. After 2 years, you will have to switch to the Social Security system of the country where you work.

Healthcare

You will need a European Health Insurance Card (EHIC) to access healthcare services in the country of posting. You can get an EHIC from your healthcare provider or the Social Security authorities in your home country. If you move your residence to your host country, ask the healthcare authorities in your home country for an S1 form instead. Give the S1 form to the host country's healthcare authorities on arrival.

To stay in your home social security system, you will need an A1 form. This form proves that you are still covered by your home system while abroad - for up to 2 years. If you are an employee, make sure your employer gives you the A1 form. If you are self-employed, get the A1 form from the social security institution in your home country. To get the form, you have to prove that the activities you intend to pursue abroad are "similar" to those you pursued in your home country.

Stays beyond than 2 years

In exceptional situations, your employer may ask for an *extension* of your initial posting period until your planned work has been completed. To get an *extension*, you must request it from the authority that issued your A1 form before the end of the initial posting period. Exemptions vary from case to case and require an agreement between the authorities in your home country and your host country. Exemptions are valid only for a specific period and an exemption request has to be submitted before the end of the posting period.

In any other cases, if you continue to work abroad for more than 2 years without an exemption, you will have to switch to the local Social Security system and pay contributions there. If you don't want to switch systems, you have to stop working for at least 2 months after the allowed period of 24 months is over.

Working in more than one country

The basic rule is that if you work in more than one EU country, but carry out a substantial part of your professional activities in your country of residence, you are covered by the social security system in your country of residence. A 'substantial part' of your activities means at least 25% of your working time and/or income. If you are self-employed, turnover and the number of services provided can also be relevant when calculating this percentage.

Brexit and UK Nationals

For the time being, the United Kingdom remains a full member of the EU and rights and obligations continue to apply fully both in and to the UK.

source: www.europa.eu

Also consult short nº116, *"Working for a UK Company in Portugal"*, available from the publications library on the ***euro*FINESCO** website.

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