

# Permanent establishment - risk check



## About the service

When a company has business operations in Sweden, it must be determined whether or not it has a permanent establishment. A company is equated with a domestic company if it has a permanent establishment. "Company" also refers to sole traders and legal persons.

Having a permanent establishment incurs higher social security contributions, payroll tax, and the obligation to pay income tax. Sometimes companies are also obliged to register branches or companies that will require accounts to be filed and the preparation of annual accounts or annual reports. In some cases, companies benefit from lower taxes in Sweden (e.g. corporation tax is lower in Sweden than the UK).

This service clarifies what applies to your operations. Based on this, we make an assessment as to whether a permanent establishment exists or not.

## Procedure

In order to make as accurate an assessment as possible, we interview the customer and review the relevant conditions to provide a basis for assessing whether the customer has a permanent establishment in Sweden. The assessment is carried out based on the prerequisites used by Skatteverket (the Swedish tax agency). The customer answers the questions usually asked by Skatteverket upon registration as well as questions based on any employment contracts. Our assessment depends on our receiving a complete and accurate description of the conditions from the company.

## Delivery

The assessment is delivered in the form of a memo in English or Swedish, as well as via a meeting whereby we discuss with the customer the pros and cons of a permanent establishment. On the basis of this, we review possible changes to conditions so as to be able to give a more favourable assessment. The customer is given the opportunity to ask questions during the meeting.

We do not, however, provide any assurances that Skatteverket or the courts will reach the same conclusion.

## Additional services

This service also provides a summary which makes the process of registering with Skatteverket much simpler. Therefore, we offer this registration with a 50% discount when combined with "Permanent establishment – risk check".

Other common services we can provide to foreign businesses establishing themselves in Sweden:

- Registration as an employer
- Incorporation
- Client account
- Tax address services
- VAT accounting services
- HR consulting

Contact  
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