UNIVERSITY OF AMSTERDAM
Amsterdam Centre for Tax Law

ITL RESEARCH NETWORK

ITL Research Network Conference

October 6th – 7th, 2022 | Belgrade, Serbia

"International Tax Challenges Raised by Mobility of Individuals / Work Force as a Result of Digitalization"

Section 3: International Individual Taxation – Issues under Tax Treaties and Beyond

Should We Rethink the Tax Residence of Individuals?

Prof. Dr. Giorgio Beretta (University of Amsterdam)

Tax Residence of Individuals: Foundations

- **Residence as a nexus** between an individual and a jurisdiction:
  - Sedentary lifestyle
  - Economic allegiance

Report of the Four Economists (1923):

"The individual owes some duty to the place where he lives"

Tax Residence of Individuals: Challenges

- **Residence no longer a nexus** between an individual and a jurisdiction:
  - Geographical diversification
  - Elective allegiance

Residence Electivity:

"Individual may claim tax residence in a particular country, without being required to live therein"

Tax Residence of Individuals: Proposals

- **Restoring residence as a nexus** between an individual and a jurisdiction:
  - Domestic tax level
  - Tax treaty level

Physical Presence Test:

"Individual may claim tax residence in a particular country only if he stays therein a minimum number of days"

Thank you!

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