



# GMS Flash Alert



2017-042 | March 3, 2017

## United States – New Social Security Totalization Agreement Signed with Slovenia

The U.S. Social Security Administration recently announced that the United States and Slovenia signed a Social Security Totalization Agreement (“the agreement”) to protect U.S. and Slovenian employers and workers from dual social security tax liability.<sup>1</sup> The agreement, signed by representatives of the two countries on January 17, 2017, has not yet been made public.

Once it enters into force, the agreement is expected to help facilitate the cross-border movement of workers between Slovenia and the United States.

---

### WHY THIS MATTERS

The agreement will eliminate dual social security contributions, which occur when a worker from one country works in another country. It will also close the gaps in benefit protections for workers who divide their careers between the United States and Slovenia. This will help assure continued contributions into their respective social security systems and benefits entitlement, as well as bring peace of mind to workers who may have concerns about their contributions and future benefits when they are assigned to work in the United States or Slovenia.

The U.S. Social Security Administration estimates that in its first seven years in effect, the agreement will save U.S. and Slovenian workers and their employers nearly \$40 million in dual social security and health insurance taxes.

## Next Steps

The agreement will undergo review by the legislatures in the United States and Slovenia. Once approved, Instruments of approval will be exchanged. The agreement will take effect after completion of the exchange.

The current rules and practices remain in effect until the new agreement enters into force.

## FOOTNOTE:

1 For a Fact Sheet on the signing announcement and FAQs about the agreement, please see the State Department [webpage](#).

Also, for further news on the signing of the agreement, see the SSA's "[International Update, February 2017](#)".

For the announcement (in Slovenian) of the signing of the totalization agreement, see the Slovenia's embassy in the United States [website](#).

\* \* \* \*

### **Thursday, March 9, 2017 – Tax Reform Thursdays: a Webcast on “The New Administration: What HR/Mobility Professionals Need to Consider”**

Uncertainty, change, and opportunity are the headlines kicking off 2017. What does this mean for HR/Mobility professionals? This Webcast will focus on the potential legislative and regulatory changes that could affect:

- compensation and benefits programs (including the Affordable Care Act);
- immigration;
- mobile employees;
- additional areas of interest to the HR community.

Please join KPMG for this engaging panel discussion via Webcast, which will highlight what these potential changes could mean to the HR function, your employees, and your organization's overall talent management approach.

**Date:** Thursday, March 9, 2017

**Time:** 2:00 p.m. - 3:00 p.m. (U.S. EST; GMT -5)

**To Register:** Click [here](#).

**The above information is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230 as the content of this document is issued for general informational purposes only.**

**The information contained in this newsletter was submitted by the KPMG International member firm in the United States.**

[www.kpmg.com](http://www.kpmg.com)

[kpmg.com/socialmedia](http://kpmg.com/socialmedia)



The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The KPMG logo and name are trademarks of KPMG International. KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever. The information contained in herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

*Flash Alert* is a GMS publication of KPMG LLP's Washington National Tax practice. To view this publication or recent prior issues online, please click [here](#). To learn more about our GMS practice, please visit us on the Internet: click [here](#) or go to <http://www.kpmg.com>.

© 2017 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159