

JZ Payroll Outsourcing & Contract Staffing

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Global Payroll Compliance Checklist

Complete Implementation Guide for 2025



Your Roadmap to Global Payroll Success

This comprehensive checklist covers all essential aspects of global payroll compliance. Use it to audit your current processes, implement new systems, and ensure ongoing compliance across all jurisdictions where you operate.



Your Progress Tracker

0% Complete (0 of 45 items checked)

45

Total Items

0

Completed

45

Remaining



## Phase 1: Pre-Implementation Assessment



*Timeline: Complete within first week (Days 1-7)*



### Conduct comprehensive compliance audit across all jurisdictions High

Review current payroll practices in each country where you have employees. Document existing processes, identify gaps, and assess compliance status.



### Document all countries with employees/contractors High

Create a master list including full-time employees, contractors, temporary workers, and remote employees across all jurisdictions.



### Assess current payroll technology infrastructure Medium

Evaluate existing systems, integrations, data management capabilities, and identify technology gaps or upgrade needs.



### Identify compliance gaps and risk areas Medium

Focus on tax withholding, worker classification, data privacy requirements, and local labor law compliance.



### Calculate potential penalties for current non-compliance Low

Estimate financial risks and create business case for compliance investment using ROI calculations.



## Phase 2: Legal and Regulatory Framework

*Timeline: Complete within 2-3 weeks (Days 8-21)*

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### Research tax regulations for each jurisdiction High

Include income tax rates, filing deadlines, withholding requirements, and local tax authority contact information.

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### Understand labor and employment laws High

Minimum wage requirements, overtime rules, working hour restrictions, and mandatory leave policies for each country.

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### Map social security and benefits requirements High

Pensions, healthcare, unemployment insurance, disability benefits, and other mandatory social contributions.

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### Study data privacy regulations (GDPR, local laws) Medium

Understand cross-border data transfer requirements, storage obligations, and employee consent requirements.

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### Clarify worker classification rules Medium

Employee vs contractor distinctions, associated obligations, and penalties for misclassification in each jurisdiction.

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**Identify local reporting and filing requirements** Low

Government forms, submission deadlines, digital filing requirements, and reporting frequencies for each country.

**Phase 3: System and Process Implementation**

*Timeline: Complete within 6-8 weeks (Days 22-60)*

**Implement centralized payroll management system** High

Deploy single platform for all countries or establish integrated multi-system approach with data synchronization.

**Establish secure data collection processes** High

Employee information, banking details, tax identification numbers, and personal data management with encryption.

**Configure payroll calculation engines** High

Set up gross pay, tax deductions, social security calculations, and net pay computations per country requirements.

**Set up international payment processing** Medium

Multi-currency transfers, banking relationships, foreign exchange management, and payment scheduling systems.



**Create automated reporting and filing systems****Medium**

Government submissions, tax filings, compliance reporting, and automated deadline reminders.

**Implement employee self-service portals****Low**

Secure portals for payslip access, personal information updates, tax document retrieval, and leave management.

**Phase 4: Documentation and Record Keeping**

*Timeline: Implement alongside system setup (Days 45-75)*

**Establish comprehensive document retention policy****High**

Define document categories, retention periods per jurisdiction, access controls, and secure disposal procedures.

**Secure storage for employee contracts and classification records****High**

Digital archives with encryption, backup systems, audit trails, and controlled access permissions.

**Archive timesheets and attendance records****Medium**

Maintain detailed work hour documentation, overtime records, and time-tracking data for compliance audits.

**Store payslips and payment records****Medium**

Detailed records of gross pay, all deductions, net pay, and payment confirmations for all employees.

☐**Maintain tax withholding and contribution records** **Medium**

Government payment records, filing confirmations, correspondence, and audit documentation.

☐**Document paid leave and statutory benefits** **Low**

Annual leave, sick leave, maternity/paternity benefits, and other statutory entitlements tracking.



## Phase 5: Team Training and Expertise

*Timeline: Ongoing training program (Days 60-90)*

☐**Train HR teams on local regulations** **High**

Country-specific employment laws, tax rules, compliance requirements, and cultural considerations.

☐**Educate finance teams on international payroll** **High**

Multi-currency processing, tax calculations, financial reporting, and budgeting for compliance costs.

☐**Establish partnerships with local experts** **Medium**

EOR providers, tax advisors, legal counsel, and local payroll specialists in each jurisdiction.

☐**Create internal compliance procedures manual** **Medium**

Step-by-step processes for payroll administration, compliance monitoring, and issue resolution.

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**Designate compliance officer or team****Low**

Assign dedicated responsibility for ongoing compliance monitoring, updates, and cross-team coordination.

**Phase 6: Testing and Quality Assurance***Timeline: Comprehensive testing phase (Days 75-105)***Conduct end-to-end payroll testing****High**

Test complete payroll cycle from data input to payment delivery across all countries and employee types.

**Verify tax calculation accuracy****High**

Cross-check calculations against local tax tables, regulations, and validate with local tax advisors.

**Test international payment processing****Medium**

Verify currency conversion accuracy, banking integration, payment timing, and delivery confirmation systems.

**Validate reporting and filing outputs****Medium**

Ensure government reports are accurate, properly formatted, and meet local submission requirements.

**Test employee self-service functions****Low**

Verify portal access, payslip generation, data security, and user experience across different devices.



## Phase 7: Go-Live and Ongoing Monitoring

*Timeline: Continuous operations (Days 90+)*

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### Execute first live payroll run High

Process payroll with enhanced monitoring, dedicated support team, and immediate issue resolution protocols.

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### Monitor payment delivery and accuracy High

Track payment status in real-time, resolve delivery issues immediately, and maintain payment success metrics.

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### Establish regular compliance review schedule Medium

Monthly/quarterly reviews of regulatory changes, system updates, and compliance status assessments.

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### Create contingency plans for compliance issues Medium

Procedures for handling government audits, penalty notices, system failures, and emergency situations.

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### Implement continuous improvement processes Low

Regular assessment and optimization of payroll processes, efficiency metrics, and user feedback integration.