

At WilkinGuttenplan, we are finely attuned to the needs of our clients with cross-border activities; from US persons with foreign investments and/or business operations outside the U.S. to foreign-owned businesses and their owners expanding into the U.S. market. We serve clients in the U.S. and throughout the world in the areas of financial reporting, tax compliance, and strategic structuring and planning.



Our international team of experts is closely aligned with the growing global and technological advances that enable businesses and employees to work anywhere and serve worldwide.

**PRACTICING
REGIONS:**

- ✓ India
- ✓ Latin America

INTERNATIONAL TAX SERVICES:

- U.S. tax compliance and planning for foreign-owned businesses
- Tailored guidance and planning for businesses entering the U.S. market
- International tax services specific to individuals such as pre-immigration and expatriation tax planning and advisory, foreign gifts and estates, travel and working abroad
- Tax planning and compliance services for private equity and hedge funds
- Tax planning and compliance for U.S. owners of a foreign business; i.e, corporate structuring and restructuring services
- Income tax treaty analyses and related planning strategies
- Offshore bank account compliance services
- Foreign Investment in Real Property Tax Act (FIRPTA) compliance and consulting services
- Client accounting and advisory services
- Cross-border M&A services, including due diligence and transaction structuring services

LOCAL SERVICE, GLOBAL REACH

As an independent member of the BDO Alliance USA, we have the ability to provide a truly global reach. The BDO Alliance USA relationship provides access to a global network of advisory services in 160 countries and territories, with 97,000+ people working out of 1,700 offices worldwide. We work collaboratively with BDO personnel in other countries to provide a worldwide approach to tax minimization and profit maximization.

INDIVIDUALS



SERVICES FOR INDIVIDUALS INCLUDE:

- ✔ Preparing U.S. personal tax returns for individuals with non-U.S. income or assets such as foreign bank accounts, investments in foreign mutual funds, and ownership of closely held foreign business entities.
- ✔ Pre-immigration tax planning to assist those moving to the US, either permanently or for a temporary assignment, to minimize U.S. taxes to the extent possible.
- ✔ Consultations regarding U.S. taxation of foreign trusts.
- ✔ Assistance to U.S. citizens and residents who have previously unreported offshore holdings under the various IRS programs to facilitate tax compliance.
- ✔ Expatriation tax planning and temporary assignments abroad, including income tax treaty benefits.
- ✔ We guide our clients with complex U.S. tax reporting, like foreign pension funds & passive foreign investment companies.

INDIVIDUAL FINANCIAL MATTERS

Social Security Number

Many transactions with the government require a Social Security Number. This includes reporting wages earned while working in the United States, filing tax returns, and opening a U.S. bank account. To obtain a U.S. Social Security Number, an individual must be authorized by the Department of Homeland Security to work in the U.S. For those not authorized to obtain a Social Security Number, we can assist with obtaining an Individual Taxpayer Identification Number from the Internal Revenue Service.

Lack of Credit

Because expatriates to the U.S. may not have a U.S. employment history, it may be difficult to obtain the credit needed to buy a home or to lease a car. It may be possible for the employer to obtain credit and subsequently lease the property back to the executive or employee. Considering there may be tax consequences to this, always consult with an accountant before entering into this type of agreement.

Insurance

To operate a vehicle, and for many other purposes, insurance is required. This can be difficult for an expat to obtain. In particular, auto insurance is a challenge because most insurance providers will not recognize a foreign driving record. It may be possible to obtain a letter from a foreign insurance company to help facilitate acquiring a policy in the U.S.

Taxes

Taxes in the U.S. can be complicated! There are taxes at every level: Federal, State, and (sometimes) Local. Additionally, there are taxes imposed on the purchase of certain goods and services (sales tax), and the rate and applicability of these can vary by locality. Income taxes at the Federal level are based on worldwide income of U.S. citizens and residents. Generally, taxes are withheld from your paycheck by your employer to pay your taxes over a period of time, rather than making a large, lump sum payment.

Employment "At-Will"

In the U.S., contracts for employment are typically only for senior executives or others with special compensation agreements. Most employment arrangements are "At-Will", meaning either the employee or employer can decide to terminate the employment without cause.

Employee Benefits

Many employers in the U.S. offer various benefits to their employees, such as paid time-off for vacation or illness, and various insurance programs such as health, dental, vision and life insurances. Employers often require employees to contribute to the cost of the insurance programs offered, and the rate of contribution varies from employer to employer. Many employers also offer some type of retirement savings program, which typically includes employee and employer contributions to fund for future retirement needs.

FOREIGN-OWNED BUSINESS

- ✔ We advise foreign-based businesses to structure their U.S. operations to minimize U.S. taxes. We often serve as hands-on advisors to assist them with the nuances of doing business in the U.S.
- ✔ For businesses that send executives abroad, we can help design tax equalization programs to ensure executives are tax-neutral regarding foreign assignments.
- ✔ Our attest department is well versed in International Financial Reporting Standards (IFRS), which enables us to assist our clients in complying with IFRS reporting standards in their home country if required.
- ✔ Our tax department serves the multinational tax needs of our individual and business clients by providing comprehensive tax planning to maximize the tax benefits in the international tax arena.

BUSINESS FINANCIAL MATTERS

Business Formation and Registration

As an independent member of the BDO Alliance USA, we have the ability to provide a truly global reach. The BDO Alliance USA relationship provides access to a global network of advisory services in 160 countries and territories, with 97,000+ people working out of 1,700 offices worldwide. We work collaboratively with BDO personnel in other countries to provide a worldwide approach to tax minimization and profit maximization.

Sales and Use Taxes

In many parts of the world, Value Added Taxes (VAT) are imposed on transferring goods and services. In the United States, a system of sales tax is used instead. The rates and requirements vary by location. Each state has its own system for determining a transaction's taxability and reporting and remitting the tax. In some situations, such as online purchases, transactions may be subject to sales tax, but the vendor does not collect the tax. In this case, the buyer is responsible for remitting "use tax" on their own.

Income Taxes

Income taxes are imposed by the Federal government, as well as by states and localities. Tax assessment and payment depend on the business's legal structure. The U.S. holds tax treaties with many countries, which may impact the reporting and taxation of business income.

Financial Statements

The U.S. government does not require financial statements prepared by an outside accountant; the tax return generally includes the information required to be reported to the government. Financial statements are required for a company whose stock is listed on an exchange and are frequently required by lenders as part of loan compliance. Outside accountants can issue financial statements under different levels of service: compilation, review, compilation, review, and audit. U.S.-based businesses typically report under U.S. generally accepted accounting principles, but International Financial Reporting Standards are becoming more common.

U.S. / INDIA

CROSS BORDER SOLUTIONS

Today's business environment is truly global with many of our clients taking notice of India's rapid economic growth. As the world's second most populous nation with more than one billion people, India is projected to become one of its biggest economies. WilkinGuttenplan's U.S. – India Practice knows first-hand how cross-cultural dynamics impact your business, and our diverse team has a deep understanding of international business, the local ethos, customs and the cultures that drive it.

Service Offerings for Businesses Entering the U.S.:

- Assisting businesses from India choose the right type of legal entity in which to operate in the U.S.
- Advising on the acquisition or sale of existing U.S. businesses for accounting and tax matters and being an integral part of the transaction team with legal counsel.
- Providing day to day assistance for accounting, tax and other financial matters.
- Assistance with procuring related services such as banking, insurance, payroll services, etc.
- Providing audited financial statements under International Financial Reporting Standards (IFRS).
- U.S. tax return preparation and advisory services for the business and the key executives.
- Advising on transfer pricing matters. By working with our trusted partners, we are able to ensure that clients develop a defensible transfer pricing policy which satisfies both the U.S. Internal Revenue Service and the Indian Tax Department.
- Most importantly, being a trusted business resource for a U.S. or India based management team.

Service Offerings for Businesses Entering India:

- Advise on the best legal structure to minimize U.S. taxes as a result of Indian operations and enabling an efficient exit upon termination of the Indian business. As a result of the Tax Cuts and Jobs Act of 2017, traditional "outbound" planning has changed dramatically. We can assist evaluating current structures to make adjustments to take advantage of the new opportunities in this area.
- Working closely with Chartered Accountants from India to ensure that tax planning done from India is consistent with U.S. tax planning.
- Considering the use of holding companies in other jurisdictions such as Mauritius or Singapore to help minimize worldwide taxes.

Service Offerings for Nonprofits and Individuals:

- Assisting nonprofit organizations (80G) in India obtain U.S. Section 501(c)(3) status so that U.S. donors can make U.S. tax deductible organizations to support the Indian nonprofit organization.
- Pre U.S. immigration tax planning to minimize U.S. tax under the U.S. worldwide taxation system.
- Estate planning for individuals with assets in the U.S. and India and individuals who are not U.S. citizens.
- U.S. tax return preparation for individuals with various investments in India such as Provident Funds, LIC investments, demat accounts.
- Close coordination with trusted Chartered Accounting firms in India to provide an integrated approach to tax filings in both the U.S. and India and to take full advantage of the benefits of the Foreign Tax Credit and the U.S. – India Income Tax Treaty.
- A deep bench of expertise with respect to individuals who have previously undeclared bank and securities account outside the U.S. with a special expertise on uniquely Indian issues

U.S./LATIN AMERICA

CROSS BORDER SOLUTIONS

Various economies in Latin America (LATAM) are experiencing growth and becoming significant global trade players. LATAM business owners and investors have been successful in the United States market. For LATAM persons and entities, a good understanding of the complicated U.S. tax system is critical to their long-term success in doing business in the U.S.

Conversely, U.S. owners looking to expand in the LATAM market have seen an increasing trend, and having a trusted advisor to provide structuring and tax planning solutions is critical to tax minimization and operational fluidity of any business. With the BDO Alliance global network, our team has the ability to tap into local resources and provide timely and relevant advice for your expanding business.

The LATAM Practice group has the extensive expertise and technical knowledge to assist you in conducting your business successfully. At WilkinGuttenplan, our LATAM Practice Group is staffed by professionals who speak Spanish fluently and have a depth of experience working with LATAM clients entering the U.S. market.

U.S. Tax Compliance:

- U.S. tax return preparation and advisory services for companies and individuals
- Preparation of and assistance with gathering data for U.S. international tax forms (5471, 8865, 8858, 5472, 1120-F, 8938, FBAR, etc.)
- Quantitative services related to U.S. international tax calculations (foreign tax credit, Section 965 repatriation tax, GILTI, FDII, Subpart F.)
- Assisting with gift and estate tax returns
- Assisting with U.S. individual tax identification numbers

U.S. Tax Consulting Services:

- Assisting in choosing the right type of legal entity for operating in the U.S.
- Corporate structure planning, including check-the-box election considerations
- Providing due diligence and careful analysis on the acquisition or sale of existing U.S. businesses for accounting and tax matters
- Advising on transfer pricing matters
- Providing pre-U.S. immigration tax planning to minimize U.S. tax under the U.S. worldwide taxation system

Related Services:

- Providing audited financial statements under International Financial Reporting Standards (IFRS)
- Assisting with day-to-day accounting, tax, and other financial matters
- Assisting with calculating gross-up of earnings while on foreign assignment and tax equalization computations to U.S. executives on assignment in LATAM, as well as foreign executives on assignment in the U.S.
- Assisting LATAM investors who hold interests in U.S. real property with tax matters, such as structure planning, and withholding of tax on dispositions of U.S. real property interests

OFFSHORE ACCOUNT COMPLIANCE

The crackdown on offshore bank accounts has been under a growing spotlight in recent years. There are frightening headlines of individuals being sent to prison with sentences for offshore tax evasion.

However, many U.S. taxpayers are simply unaware that the U.S. requires its residents and citizens to pay tax on worldwide income and to file an annual form completely independent of their tax return, known as a Form 114, Report of Foreign Bank and Financial Accounts, also known as an FBAR. The Internal Revenue Service has established the Streamlined Filing Compliance Procedures, to give those who qualify an opportunity to come forward, file old tax returns, and by paying a pre-determined penalty, be free of criminal or additional civil penalties.

Our International Commerce Group not only understands the technical requirements of addressing the tax filings but we are intimately familiar with the stress of learning that past filings may have been missed. We understand that addressing this problem can be as much an emotional issue as a financial issue. We have worked with many taxpayers to help them determine the best course of action to address these issues.