

INTERNATIONAL COMMERCE

At WilkinGuttenplan, we serve clients throughout the world and are well-versed in advising on foreign-based businesses. Whether the area of focus is financial reporting, tax compliance, or strategic planning, we can help aid clients with operations outside of the United States. For foreign-based businesses with U.S. operations, we structure the best way to help minimize U.S. taxes and can serve as hands-on advisors to assist with the nuances of doing business in the U.S. as well. 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 us with access to a global network of advisory services in 138 countries.

INDIVIDUAL

Many U.S. taxpayers are unaware that the U.S. requires its residents and citizens to pay tax on a 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 (FBAR). At WilkinGuttenplan, our International Commerce Group, not only understands the technical requirements of addressing the tax filings, but they have worked with many taxpayers to help them determine the best course of action to address these issues. In addition, our staff has a comprehensive understanding of related tax return issues such as:

- Repatriation Tax and GILTI system
- Treatment of foreign business operations
- Passive Foreign Investment Company PFIC taxation
- Claiming foreign tax credits
- Impact of amended federal filings on state tax

Our services include:

- Preparation of U.S. personal tax returns for individuals with non-U.S. income or assets
- Pre-immigration tax planning to assist those moving to the U.S.
- Consultations regarding U.S. taxation of foreign trusts
- Assistance to U.S. citizens and residents who have previously unreported offshore holding under the various IRS programs to facilitate tax compliance

BUSINESSES ENTERING THE U.S.

With a complex business and tax environment, starting a foreign company in the U.S. can be overwhelming with the level of regulation involved. Our International Commerce Group partners closely with clients to aid them in understanding the process and navigating the complexities.

Our services include:

- Assisting with choosing the right type of legal entity in which to operate in the U.S.
- Advising on accounting and tax matters for the start up or acquisition of an existing U.S. business
- Providing day-to-day assistance for accounting, tax and other financial matters
- Assistance with procuring related services such as banking, insurance, payroll services, sales and use tax compliance, 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

INTERNATIONAL COMMERCE

MERGERS & ACQUISITIONS

Whether selling your business or looking to make a strategic acquisition, our team of professionals is here to guide clients through the merger and acquisition process. At WilkinGuttenplan, it is our mission to understand each client's unique needs and goals, harness our knowledge and experience, and provide the guidance needed to complete the transaction. With a network of global professionals, our team can help with structuring both inbound and outbound transactions while taking into consideration global tax considerations.

It is critical to find the right fit for your business; therefore, we strive to guide you through all aspects of buying or selling a business to ensure you are satisfied. We have completed several mergers in our firm, as well as consulted on behalf of several clients, giving us a thorough knowledge of the process from all sides and you peace of mind that we are a trusted partner.

INTERNATIONAL COMMERCE

FOREIGN-OWNED BUSINESSES

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In addition, our attest department can assist clients in complying with International Financial Reporting Standards (IFRS) in their home country, if required. Our tax department also serves the multinational tax needs of both our individual and business clients by providing comprehensive tax planning to maximize the benefits that exist in the international tax arena. For those that send executives abroad, we can design tax equalization programs to ensure that the executive is tax neutral for foreign assignments.

For foreign-based businesses with U.S. operations, we structure the best way to help minimize U.S. taxes and can serve as hands-on advisors to assist with the nuances of doing business in the U.S. as well.

WHAT BUSINESSES SHOULD EXPECT WHEN IN THE U.S.

BUSINESS FINANCIAL MATTERS

- **Business Formation and Registration** – Businesses in the U.S. can be formed using different legal entity types such as corporations, partnerships, limited liability companies, or proprietorships. If you are looking to establish a U.S. operation(s), we recommend consulting with an accountant or attorney to determine the optimal legal and tax structure for the business. It will also be required to be registered in the various jurisdictions where business operations are located. As part of the formation process, a company selects a calendar (December 31) or fiscal reporting year, which is not available for all types of entities.
- **Income Taxes** – Enforced by the Federal government, as well as by states and localities, the assessment and payment of tax are dependent on the legal structure of the business. The U.S. holds tax treaties with many countries, which may impact the reporting and taxation of business income.
- **Sales and Use Taxes** – In many parts of the world, Value Added Taxes (VAT) are imposed on the transfer of goods and services, wherein the U.S., a system of sales tax, is used instead. The rates and requirements vary by location, and each state has its method for determining the taxability of a transaction, and for 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.
- **Financial Statements** – The U.S. government does not require financial statements prepared by an outside accountant; the tax return generally includes the information needed to be reported to the government. They are, however, required for a company whose stock is listed on an exchange and are frequently required by lenders as part of the loan compliance. Outside accountants can issue financial statements under different levels of service: compilation, review, and audit. U.S. based businesses typically report under U.S. generally accepted accounting principles (GAAP), but IFRS are becoming more common. A closely held business may also opt to report using the tax or cash basis of accounting.

INTERNATIONAL COMMERCE

CROSS BORDER SOLUTIONS

The WilkinGuttenplan team collaborates with our strong network of attorneys, chartered accountants, and other international advisors, to provide seamless solutions to clients worldwide who are exploring the U.S. markets as well as those in the U.S. considering operations abroad. As the valued expert, we are often our client's first point of contact with any financial problem due to our ability to brainstorm solutions in real-time about the issue at hand.

SERVICE OFFERINGS FOR BUSINESSES ENTERING THE U.S.:

- Assisting in choosing 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
- Most importantly, being a trusted business resource for a U.S. or international based management team

OFFSHORE BANK ACCOUNT COMPLIANCE SERVICES

Many U.S. taxpayers are unaware that the U.S. requires its residents and citizens to pay tax on a 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 (FBAR). Headlines across the news world have shown individuals being sent to prison with sentences for offshore tax evasion, which has led to a crackdown on foreign bank accounts in recent years.

To help aid with this issue, The Internal Revenue Service (IRS) 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.

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

In addition, our team has a comprehensive understanding of related tax return issues such as:

- Repatriation Tax and GILTI system
- Treatment of foreign business operations
- Passive Foreign Investment Company
- Claiming the foreign tax credits
- PFIC taxation rules.
- Impact of amended federal filings on state tax

INTERNATIONAL COMMERCE

INDIVIDUALS

As an independent member of the BDO Alliance USA, we can provide a truly global reach. The BDO Alliance USA relationship provides us with access to a global network of advisory services in 138 countries, with almost 55,000 people working out of 1,200 offices worldwide. We work collaboratively with BDO personnel in other countries to provide a worldwide approach to tax minimization and profit maximization.

Our services for individuals include:

- Preparation of 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 U.S., 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 holding under the various IRS programs to facilitate tax compliance.
- In addition, we also guide our clients with complex U.S. tax reporting.

WHAT BUSINESSES AND INDIVIDUALS SHOULD EXPECT WHEN IN THE U.S.

Are you considering coming to the United States to work or start a business? Or, have you recently arrived in the United States and are unsure of what to do next? Contact your WG advisor to explore some ideas about how your work and business life might be different in the United States than what you are used to in your home country.



WilkinGuttenplan

CPAs & Advisors

OFFSHORE BANK ACCOUNT COMPLIANCE SERVICES

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SERVICE OFFERINGS

We understand that addressing this problem can be as much an emotional issue as a financial issue and through our services, have worked with many taxpayers to help them determine the best course of action to address these issues.

In addition, our team has a comprehensive understanding of related tax return issues such as:

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U.S. - INDIA PRACTICE

CROSS-BORDER SOLUTIONS:

At WilkinGuttenplan, we serve clients throughout the world, and with today's global business environment, many of our clients are taking notice of India's rapid economic growth. As one of the world's most populous nations, with more than one billion people, India is projected to become one of the biggest economies. In addition, it is far more regulated and challenging to do business there versus the United States, and our team understands the issues clients may face.

Our U.S. – India Practice focuses on practical solutions to the daily financial hurdles faced by closely held middle-market companies and their owners. Our diverse team has a deep understanding of this international business, the impact of cross-cultural dynamics, the local ethos, customs, and culture. As the valued expert, we are often our client's first point of contact with any financial problem due to our ability to brainstorm solutions in real-time about the issue at hand.

We collaborate with our strong network of attorneys, chartered accountants, and other Indian advisors, to provide seamless solutions to clients in India who are exploring the U.S. markets as well as those in the U.S. considering operations in India.

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

U.S. - INDIA PRACTICE

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, etc.
- 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 – for example the implications of a U.S. taxpayer being named as co-owner of an aging parents account in India, the U.S. tax impact of deferring gain on property sale under Indian law which promote investment in property, the U.S. treatment of Hindu Undivided Family (HUF) structures.

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