

FAWCO Tax & Estate Planning LAUNDRY LIST !

The following is a summary of **Tax related information** needed for you and your children to file their U.S. tax return & other necessary forms. Collecting as much of this information as possible before you go to meet with a tax professional will save much time & their billing expenses!:

I. Securities Accounts:

1. Valuation of each account on December 31, of the tax year to be reported.
2. Interest and Dividends received
3. Source of Interest and Dividends
4. all long term & short term realized capital gain information including cost basis of the securities sold
5. Taxes paid from each account, including foreign taxes.

II. existing Foreign (non US) bank accounts, Securities Accounts, Broker Accounts, Insurance Policies

1. Type of account (Bank, Securities Investments, or Other).
2. Name of Financial Institution in which account is held
3. Account Number
4. Mailing Address of financial institution in which account is held
5. Name of all Joint Owners (not the beneficiaries, unless tax planning)
6. Highest period ending balance from quarterly statements or more frequent account statement.
7. Information is needed even if account is closed during the year.
8. Income earned in tax year from each account.
9. Tax paid from each account, if applicable.

III. New Accounts opened in tax year

1. Type of account (Bank, Securities, Investments, Insurance or Other).
2. Name of Financial Institution in which account is held
3. Account Number
4. Mailing Address of financial institution in which account is held
5. Name of all Joint Owners
6. All other information needed for Bank/Securities Account above will apply.

IV. Children

1. confirm residency status of each child in tax year.(ie studying in US?? If so, how many days in tax year)
2. Date and Financial Gifts received from Non-US persons in tax year.
3. all Bank account data as above
4. Overview of all UTMA, Trust or other savings vehicles in the child's name, including foreign accounts/trusts etc by US & non US Grandparents, Godparents etc

V. US Accounts

1. U.S. Form 1099 and/or December of Tax year statement for all US citizen/tax persons (including children!!) issued by US Banks/ Securities firms, brokers etc

VI. GBRs (Investment Partnerships, German Family Partnerships etc)

1. Date of Formation & % of each partner & their nationality/ US tax status
2. Address of Partnership
3. Date and amount of capital contributed
4. Balance sheet and income statement
5. Bank/Securities Account rule apply depending on what the Partnership holds.

VI. Marital Settlement/ Gifts

1. The date and amount US citizen/tax person received from NRA (foreigner ,nongreencard) in tax year.
2. The date and amount US citizen/tax person received or gifted (including to charities) in tax year.

VII. Rental Income

1. Income and expense details of any rental property owned & including any mortgage expenses paid.

VIII. Earned Income All Earned Income Information as well as German(country of residence) taxes withheld or paid

IX. Private Equity Funds, LLCs, Limited Partnerships

1. confirm whether US Citizens invested in private equity funds in tax year.

X. Country of Residence Tax Filing

1. US Citizen's proportion of country of residence taxes paid in tax year on Country of residence tax reporting can in many cases be taken off of US taxes, depending on the treaty details.

(for Estate Planning, see over)

FAWCO - Legal & Estate Planning in an International Context

This list may not be complete, but it will get you & your advisors started !!!

For tax/legal planning re Inheritance issues, an Estate Planning Lawyer will need:

- I. Chart of Geneological family relationships of living relatives:
your parents & spouse's parents,
siblings, & your children/grandchildren including all nationalities
- II. Copies or PDFs of any Trust Documents, Wills, Marriage Contracts, Partnerships, etc for any of the above if you have them.
- III. Trust documents from any deceased Person who has left you or your family something in a Trust.
- IV: an overview of where all beneficiaries & the person dying are resident

Particularly if you are expecting to inherit from someone in the States/ or will to your children or NRA spouse while you live overseas, it is important to be aware of the main tenets of the inheritance laws in your country of residence in order to plan for unexpected inheritance tax in that country!

Unlike the United States, not all countries tax the dying person, many tax those inheriting! Tax free transfer amounts & percentages taxed can be VERY different.

In some countries, as in the US, there are different (usually lower) tax free gifting thresholds for alien (non Resident Country national) spouses. Be sure you know these differences!

If you learn something about your particular country jurisdiction, share your knowledge with others!. Email legal advisor recommendations for your country and any big differences to American law that you notice to us at ustaxbanking@fawco.org. so that we can build a database for the website to share that knowledge with other members.

In some countries, US trust structures create additional & disadvantageous tax outcomes in the resident country, so ask your local tax advisor what you & your family should avoid, or how best to mitigate irrevocable trust impacts, then check these out with your US lawyer before implementing.

Things to learn about your new country of residence:

The number of years you have to be resident there to be subject to their inheritance laws

The tax free transfer amounts of that country & how they are different from US law so that you can optimize your gifting planning, especially regarding gifting between spouses & marriage settlements !!

Any differences in how not being a citizen of the Residence Country vs being a citizen, effects these laws.

Look for differences in how Common Property Spouses inherit vs Separate Property Spouses

US vs Resident Country differences in the valuation & taxing of Retirement Assets

The provisions in that country for moving minor children of mixed citizen marriages outside the country.

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