

**From the desk of
Peter S. Muffoletto, C.P.A.**

U.S. Taxpayers Foreign Tax and Asset Reporting Requirements

All U.S. citizens and residents must report worldwide income on their federal and state income tax returns.

If you lived outside the U.S. on the regular due date of your tax return, the extended filing deadline for your tax return is June 15 each year.

Similarly, the deadline to report interests in certain foreign financial accounts is June 30 each year.

FATCA Requirements

FATCA refers to the **Foreign Account Tax Compliance Act**.

In general, federal law requires all U.S. citizens and resident aliens to report any worldwide income.

You must report the existence of and income from foreign accounts.

This includes foreign trusts, banks and securities accounts.

In most cases you must report the country where each account is located.

This can be done by filing **Schedule B**, Interest and Ordinary Dividends with your tax return.

You may also have to file **Form 8938, Statement of Special Foreign Financial Assets** with your tax return.

FBAR Requirements

FBAR refers to **Foreign Bank and Financial Accounts**.

FBAR reporting is accomplished by filing IRS Form 114 with the Financial Crimes Enforcement Network, or **FinCEN** which is part of the U.S Treasury Department.

You generally must file the form if you had an interest in foreign financial accounts where the aggregate value exceeded \$10,000 at any time during the tax year.

This also applies if you had signature or other authority over those accounts.

Form 114 is filed electronically and is available online through the BSA E-Filing System website found at <http://bsaefiling.fincen.treas.gov/main.html>

The FBAR filing requirement is not part of the filing with your personal income tax return

The deadline to file Form 114 is June 30.

Our emphasis at Muffoletto & Company is to provide you the proper guidance and understanding of the system so that you avoid taxes to the extent that the law allows.

Should you have questions relating to these matters, tax, financial, and accounting issues, give us a call at (818) 346-2160.

You can also visit us on the web at www.petemcpa.com!

We here at Muffoletto & Company believe that the more informed you are in regards to the rules and regulations that affect you the more we can be of service.

Should you have questions relating to any tax or financial matters, or if you know of someone that could benefit from our assistance feel free in calling us at (818) 346-2160, or you can visit us on the web at www.petemcpa.com!

Providing individuals, small businesses, corporations, partnerships, professionals, and other business entities with the necessary guidance and answers for a complex world.

The contents of this email and any attachments to it may contain privileged and confidential information from Muffoletto & Company.

This information is only for the viewing or use of the intended recipient. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of, or the taking of any action in reliance upon, the information contained in this e-mail, or any of the attachments to this e-mail, is strictly prohibited and that this e-mail and all of the attachments to this e-mail, if any, must be immediately returned to Muffoletto & Company or destroyed and, in either case, this e-mail and all attachments to this e-mail must be immediately deleted from your computer without making any copies hereof.

If you have received this e-mail in error, please notify Muffoletto & Company by e-mail immediately.

To ensure compliance with Treasury Department regulations, we wish to inform you that, unless expressly stated otherwise in this communication (including any attachments) any tax advice that may be contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or applicable state or local tax law provisions or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.

If you prefer not to remain on our email lists, please let us know. We will remove you as soon as you notify us.

You may do so by emailing us at

pete@petemcpa.com