

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

Reporting Foreign Income

By law, U.S. citizens and residents must report their worldwide income to the Internal Revenue Service, and their respective state of residence.

This includes income from foreign trusts and foreign bank and securities accounts.

Foreign Earned Income Exclusion

If you live and work abroad you may be able to claim the foreign earned income exclusion.

There is a foreign income exclusion of up to \$100,800 for wages and other foreign earned income for tax year 2015 depending upon your circumstances.

Credits and Deductions

Depending upon the foreign country wages are earned in, and depending upon tax treaties with those countries, there may be certain tax credits, and or deductions for income taxes paid to a foreign country.

Tax Filing Extension is Available

If you live outside the U.S. and cannot file your tax return by the April 18 due date, you may qualify for an automatic two-month extension until June 15.

This extension also applies to those serving in the U.S. military abroad.

An additional attachment to your tax return explaining why you qualify for the extension is required.

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.

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