

DO I NEED TO DISCLOSE MY FOREIGN FINANCIAL ACCOUNT? & WHAT CAN HAPPEN IF I DON'T?



Any US Person (Citizen/Resident/Entity) Living Here or Abroad Must File an FBAR if the person:



1. Had a financial interest in or signature authority over at least one financial account located outside the United States

....&

Signature

2. The aggregate value of all financial accounts exceeded \$10,000 at any time during the calendar year to be reported



What is **FBAR** and OVDP?



FBAR stands for "Foreign Bank Account Report" and refers to a document (FinCEN 114) that must be filed by any US person who has an interest in, or signatory authority over a foreign financial account, and the aggregate value of those accounts exceeds \$10,000 at any time during the previous calendar year.

OVDP stands for "Offshore Voluntary Disclosure Program" and is a voluntary disclosure program specifically designed for US Persons who have foreign financial assets, but have failed to report those assets to the US Government. Disclosing these assets protects taxpayers from the potential application of extremely harsh civil penalties and even criminal liability.

STATISTICS

- ✓ You could face fines and penalties that exceed 3x the value of your foreign account(s).
- ✓ You could face 3-6 years or more in federal prison if the IRS decides you willfully tried to hide your foreign account.
- ✓ **92%** of criminal tax cases that go to trial result in convictions



IRS EXAMPLE: ZWERNER CASE

In 2014 a Federal District Court Jury in Florida determined that 87 Year Old Carl Zwerner pay \$2,241,809 in FBAR penalties for an account with a high balance of \$1,691,054.



SOLUTIONS

The two primary disclosure options are:

1. **Traditional OVDP** - involves an **8 year** look-back window and takes the willful question off of the table
2. **Streamlined** - Involves a **6 year** look-back window, but willfulness can be determined by the IRS.



TOP Q & A

1. Am I going to jail?
2. How much is this going to cost me?
3. Do I have to disclose?

To get answers to these questions we recommend you contact a qualified international tax attorney.

Hiring a qualified International Tax Attorney means you can sleep at night knowing you are making everything right with the US Government.

For a Free FBAR/OVDP Consultation
contact the Former IRS Attorneys
at Gregory Law Group.

www.GregoryTaxLaw.com