

Foreign Investment into the U.S.

Investment into the United States

- Direct investment
- Corporate investment
- Partnership/LLC investment
- Trust investment

Foreign Investment into the U.S.

Identifying the Team

Client

Real Estate Agent

Banker

U.S. Real Estate Lawyer

Home Country Advisors

Cross Border Advisors

Foreign Investment in the U.S.

Non U.S. Corporate Investment

Amount invested	\$3,000,000
Anticipated gain	\$500,000
Estate tax exposure	NONE
Anticipated tax on LT gain	\$170,000

Foreign Investment in the U.S.

Offshore Partnership/LLC

Amount invested	\$3,000,000
Anticipated gain	\$500,000
Estate tax exposure	???
Anticipated tax on LT gain	\$70,118

Foreign Investment in the U.S.

Investment With a Trust

Amount invested	\$3,000,000
Anticipated gain	\$500,000
Estate tax exposure	NONE
Anticipated tax on LT gain	\$74,670

Foreign Investment in the U.S.

New York – Florida

Foreign Investment in the U.S.

Foreign Investment in Real Property Tax Act (FIRPTA)

- Issues at Purchase
- Issues at Sale
- Reduced Withholding Certificate

Foreign Investment in the U.S.

Mortgages

- Estate Tax Deductibility (exercise caution)
- Mortgage interest deduction for US residents

Foreign Investment in the U.S.

Imputed Income

Direct Ownership

V.

Entity Ownership

Foreign Investment in the U.S.

New Issues in the U.S.

- FBARs
- The concept of voluntary compliance
- Entity classification issues – Liechtenstein Anstalten and Stiftungen
- The Foreign Tax Compliance Act of 2009 (proposed)
- Estate Taxes