



MOVING TO THE U.S.: TAX LAW CONSIDERATIONS

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Who are we?

- Steven H. Hagen: Wealthy Mexican businessman, wants to move permanently to the U.S.
- Jeffrey S. Hagen: American attorney from Miami, visiting client in Mexico.

Substantial presence test

- 183 days or more spent in the U.S. makes you a “resident”
- Defining “a day”
- Formula
- Residency start date
- Green card – resident / no substantial presence test

U.S.-Mexico Treaty

- What if you are a resident of both countries?
- Center of Vital Interests

Being a U.S. resident

- Worldwide income subjects to U.S. tax
- Several information forms required
- Impact on your companies

Family issues?

- Child born in U.S.
- Wife resident of U.S. / Husband not?

Tax Rates for Individuals

Married filing Jointly	Taxable Income	Tax Bracket:	
	\$0-\$19,050		10%
	\$19,051-\$77,400		12%
	\$77,401-\$165,000		22%
	\$165,001-\$315,000		24%
	\$315,001-\$400,000		32%
	\$400,001-\$600,000		35%
\$600,001+		37%	

Married filing Separately	Taxable Income	Marginal Tax Rate:	
	\$0-\$9,525		10%
	\$9,526-\$38,700		12%
	\$38,701-\$82,500		22%
	\$82,501-\$157,500		24%
	\$157,501-\$200,000		32%
	\$200,001-\$300,000		35%
\$300,001+		37%	

Estate tax

- Exemption amount
- Holding U.S. situs assets

Gift tax

- Same as estate tax?
 - Rates
 - Assets

“Control”

- Gifts
- Trusts

Expatriation Tax

- Tax on appreciation while in U.S.
- U.S. heirs always subject to inheritance tax
- Depends on green card status