

Expatriate Client Questionnaire

The tax professionals at Williams and Parsons, PC are dedicated to serving the American expatriate community. Filling out this organizer will help with gathering the information we need to file a complete and accurate return, minimize your tax liability and help us complete the return as efficiently as possible.

To use these forms, please download to your computer, save it, and then open it using the Adobe PDF Reader. This will make it simple for you to save your changes and upload them to our secure portal. It also ensures that the form will work properly for you. Please note that when we mention “tax year”, we are referring to January through December 31 of the year in question.

General Information and Important Due Dates

Expatriates (U.S. citizens living abroad on April 15) are given an automatic extension to file their tax return until June 15; however, if any taxes are owed, the money is due on April 15 if you wish to avoid interest charges. A further extension for filing of tax returns until October 15 may be obtained by filing the proper extension form by June 15. *If your return needs to be completed or if you need to make a payment by April 15, we recommend your questionnaire be submitted to us no later than March 18.* We can prepare an extension for you at no charge.

The Treasury form reporting foreign bank accounts (FBAR) must be received by the authorities no later than June 30 or you may incur severe penalties. **No extensions are available beyond that due date for this form.**
(For 2016 returns, due in 2017, the deadline is April 16th with extensions possible to October 15)

Expat Client Questionnaire

1. General Information

Taxpayer:

Name:	
Social Security or ITIN:	
Date of Birth:	
Daytime Phone Number:	
Mobile Phone Number:	
Citizenship:	
Current address:	
City:	
State/Province:	
Country:	
Postal Code:	
Email Address:	
Did you claim state residency? If yes, which state?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Occupation:	

Spouse:

Name:	
Social Security or ITIN:	
Date of Birth:	
Preferred Phone Number:	
Mobile Phone Number:	
Citizenship:	
Current address:	
City:	
State/Province:	
Country:	
Postal Code:	
Email Address:	
Did you claim state residency? If yes, which state?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Occupation:	

2. Dependents

Dependent 1:

Name:	
Relationship to taxpayer:	
Date of birth:	
Social security number:	

Dependent 2:

Name:	
Relationship to taxpayer:	
Date of birth:	
Social security number:	

Dependent 3:

Name:	
Relationship to taxpayer:	
Date of birth:	
Social security number:	

Dependent 4:

Name:	
Relationship to taxpayer:	
Date of birth:	
Social security number:	

Expatriate Client Questionnaire

3. Foreign Financial Accounts (FBAR)

If you have a financial interest in or signature authority over a foreign financial account, including a bank account, brokerage account, mutual fund, trust, or other type of foreign financial account, and the aggregate value of all foreign financial accounts exceeded \$10,000 at any time during the calendar year reported, you must report yearly to the Department of Treasury by electronically filing a Financial Crimes Enforcement Network (FinCEN) 114.

We will file this return for you and also use this information to file a Form 8938 (if you meet the filing requirements) which are required to be included with your Form 1040. If you choose to file your own FinCEN 114, we will still need the information you use.

Please fill out the APPENDIX A completely.

4. Foreign Entities

Do you own more than 5% in a non US partnership or corporation? If yes, please provide details below.	Yes	No
Do you receive any distributions from a foreign trust? If yes, please provide details below.	Yes	No

5. Visa Information

(The type of visa you have may impact your residing states on your US return)

Taxpayer:

What type of visa do you have?		
Does the visa limit your stay?	Yes	No
If so, your stay is limited until when?		
Do you have a US Green Card?	Yes	No

Spouse:

What type of visa do you have?		
Does the visa limit your stay?	Yes	No
If so, your stay is limited until when?		
Do you have a US Green Card?	Yes	No

Establishing your Foreign Residency:

The answers to these questions will allow us to determine whether you are eligible to use the Foreign Earned Income Exclusion.

Expatriate Client Questionnaire

6. Residency?

If you qualify as an expat using the Physical Presence Test, you need to be inside a foreign country for 330 days in a 12-month period. Please include the dates you were outside the US here so we can determine whether you qualify. If you spent any time outside the US but not inside a foreign country (an example of this might be if you were traveling on a boat), please add it to the "Other Trips" section below.

Where did you establish your foreign tax home(s) and on what date(s)?	
Tax home(s)	Date(s)

If you traveled to the US during the tax year, please be sure to fill in the next table with those details.

If you traveled to the US during the tax year and earned any income while in the US, please be sure to fill in the next table with those details.

Please use the space below to record all of your travel during the year.

Traveling in the US

	Name of Traveler(s)	Dates Spent in US		Total # of Days	# of Days of Business Travel	Earning while in the US
		Arrival	Departure			
Trip 1						
Trip 2						
Trip 3						

Presence in Foreign Country

	Name of Traveler(s)	Dates Spent in US		Total # of Days	# of Days of Business Travel	Earning while in the US
		Arrival	Departure			
Trip 1						
Trip 2						
Trip 3						

Are you still a resident of a foreign country? If no, when did you return and what state did you move to?	Yes	No
--	-----	----

Expatriate Client Questionnaire

7. Employer/ Company Name

Taxpayer:

Name of your current employer/company name:		
Work address:		
Address continued:		
City:		
State/Province:		
Country:		
Postal code:		
Is your employer a US company or foreign affiliate of a US company:	Yes	No
Name of foreign affiliate:		
Foreign affiliate address:		
Address continued:		
City:		
State/Province:		
Country:		
Postal code:		

Spouse:

Name of your current employer/company name:		
Work address:		
Address continued:		
City:		
State/Province:		
Country:		
Postal code:		
Is your employer a US company or foreign affiliate of a US company:	Yes	No
Name of foreign affiliate:		
Foreign affiliate address:		
Address continued:		
City:		
State/Province:		
Country:		
Postal code:		

8. Wages

Did you (or your spouse, if filing jointly) have any income from wages, salaries, bonuses, commissions, etc., during the tax year? Please provide W2's or other pay records for the year. If yes, please provide details below.	Yes	No
Are you required to pay income tax in any country other than the US? Please provide a copy of the tax return. (this includes taxes on wages, interest, dividends and other income, not VAT or Sales taxes) If yes, please provide details below.	Yes	No
Are you covered by a foreign pension plan? If yes, please provide details below.	Yes	No

Expatriate Client Questionnaire

9. Housing Expenses

Items such as rent, utilities (excluding telephone), insurance, etc. may be deductible expenses on your US taxes as part of your foreign earned income exclusion. Only complete if you have foreign earned income.

Rent:	
Utilities:	
Insurance:	
Property Taxes:	
Other:	
Other:	

Did your employer reimburse any part of your housing expenses? If yes, how much? Is the reimbursed amount included in your gross earnings from the employer? If yes, please provide the amount of reimbursements.	Yes	No
---	-----	----

10. Interest Income

Did you (or your spouse, if filing jointly) have any interest income from any accounts in the US or abroad during the tax year? If you answered 'Yes', please provide the 1099 or bank name and interest income amount and any tax withholding for each account.

If yes, please provide details by institution.

Yes	No
-----	----

11. Dividend Income

Did you (or your spouse, if filing jointly) have any dividend income from any accounts or shares in the US or abroad during the tax year? If you answered 'Yes', please provide the 1099 or brokerage firm name or stock, bond, or fund name, dividend income amount, and taxes withheld for each fund.

If yes, please provide details by institution.

Yes	No
-----	----

12. Capital Gains

Did you (or your spouse, if filing jointly) have any capital gains in the US or abroad during the tax year? If you answered 'Yes', please enclose the 1099's or brokerage statements or provide the stock/fund name, purchase date, purchase price, sale date, and sale price. Do you have any ongoing installment sales?

If yes, please provide details by institution.

Yes	No
-----	----

Expatriate Client Questionnaire

13. Other Income

Did you (or your spouse, if filing jointly) have any other income of any sort from the US or abroad during the tax year (such as rental income, pensions or IRA's, alimony, debt relief, etc.)?
If yes, please provide details by below.

Yes

No

14. Pension

Have you contributed to a Roth IRA or a Traditional US IRA during the tax year?
If yes, how much money did you contribute? \$

Yes

No

15. Education Expenses & Student Loans

Have you made any student loan interest payment during the tax year?
If yes, how much? \$

Yes

No

Have you paid for any post-high school education expenses for you or a family member during the tax year? We will need the name of the University, tax ID number, amount of tuition, and fees paid.

Yes

No

16. Home Mortgage Interest & Taxes

Interest on loans secured by your primary residence and secondary residences may be tax-deductible. This is limited to interest paid on \$1 million of home acquisitions debt and up to \$100,000 of home equity debt.

Do you own a house with a mortgage (either in the US or abroad)?
Amount of mortgage? \$
Amount of interest paid? \$

Yes

No

Did you pay property tax (either in the US or abroad)?
If yes, please state the amount. \$

Yes

No

Expatriate Client Questionnaire

17. Rental Property

Did you own a rental property in the US or in a foreign country during the year? What is your percentage of ownership?	Yes	No
Are you actively involved in the management of the property in making the decisions affecting the property?	Yes	No
What was your total rental income for this property during the calendar year?	Yes	No
Expenses	Amount	

18. Sale of Home

Did you sell your primary residence during the tax year? If yes, was this your primary residence for 2 of the past 5 years? Has the property ever been used as a rental or home office? We will need to determine cost including improvements. Please include a copy of closing escrow.	Yes	No
---	-----	----

19. Moving Expenses

Did you incur any unreimbursed moving expenses during the year? Was the move work related? If yes, please provide details below.	Yes	No
--	-----	----

Expatriate Client Questionnaire

20. Medical Expenses

Did you have any medical expenses including prescriptions or medical insurance during the tax year that you would like to try to deduct from your income?

If yes, please provide details below.

Yes

No

21. Child & Dependent Care Expenses

Did you incur any childcare or dependent care expenses during the tax year? Please provide information on childcare provider and amount below.

Yes

No

Company/ Individual	Address	Amount	Child's Name

22. Alimony Paid

Did you pay alimony during the tax year? Please include recipient's name, Social Security Number and the amount paid during the tax year.

If yes, please provide details below.

Yes

No

23. Charitable Contributions

Have you made any charitable contributions to US-based organizations during the tax year?

If yes, please provide details below.

Yes

No

Do you have any volunteer miles driven? If yes, please provide the amount.

Yes

No

Did you make any non-cash donations such as Good will? **If yes**, please provide details below.

Yes

No

Expatriate Client Questionnaire

24. Tax Preparation & Accounting Expenses

When was the last time you filed a US tax return?		
Did you file last year?	Yes	No
Did you pay any tax preparation fees, investment fees, union dues, safe deposit box rental or gambling losses? If yes, please provide details below.	Yes	No

25. Job-Related Expenses

Did you have any unreimbursed job-related expenses or travel expenses during the tax year? If yes, please provide details below.	Yes	No
--	-----	----

26. Other Deductions

Did you have any household employees? If yes, please provide details below.	Yes	No
Do you have any adoptions expenses? If yes, please provide details below.	Yes	No
Did you experience a casualty loss during the year? If yes, please provide details below.	Yes	No

27. Filing & Refund Deposits

(When possible, we recommend Electronic Filing and Direct Deposit for those with US bank account)

If you are due a refund, would you like this deposited in your US bank account?

If yes, please provide the following information:

Bank routing number:		
Bank name:		
Account number:		
Type of account:	Checking	Savings

Expatriate Client Questionnaire

28. Other Information

Expatriate Client Questionnaire

31. Engagement Letter

We are pleased to confirm our understanding of the arrangements for your income tax return(s). This letter confirms the services you have asked our firm to perform and the terms under which we have agreed to do that work.

In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements.

We will prepare your 2014, 2013 and 2012 Federal individual income tax Form 1040 and related state income tax returns, (please insert states) none, and any other required forms and tax returns, from the information you furnish us. We will also complete the required FBAR (foreign bank account reporting) and other forms needed in the "Streamlined Filing Procedure". We will not audit, review, compile or otherwise verify the data you submit although we may ask you to clarify some of the information. We may furnish you with tax organizers and questionnaires to help you gather and organize the necessary information for us, in order to keep our fee to a minimum. ***We are responsible for preparing only the returns listed specifically in this letter.***

If you have derived income from a foreign country, we will use the foreign country income information which you provide to calculate any applicable federal or state foreign tax credit or other affected federal or state income tax items. However you are responsible for meeting any foreign country income tax or other foreign country reporting requirements which are discussed later in this letter.

Our billings are payable by credit card or wire/electronic transfer with 50% of the estimated charges due before work commences on your returns, and the remaining 50% due on completion and release of the tax returns(s).

If an extension of time to file is required, any tax due with this return must be paid with the extension. Any amounts not paid by the filing deadline may be subject to interest and penalties.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs we will communicate with you regarding the scope and estimated cost of these additional services. Engagements for additional services may necessitate that we amend this letter or issue a separate engagement letter to reflect the obligations of both parties. In the absence of written communications from us documenting such services, our services will be limited to and governed by the terms of this engagement letter.

Our fee does not include responding to inquiries or examination by taxing authorities. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter.

This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us.

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns, including but not limited to the auto, travel, entertainment, and related expenses and the required documents to support charitable contributions. It is also your responsibility to carefully examine and approve your completed tax returns before signing and mailing them to the tax authorities. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. We will rely,

Expatriate Client Questionnaire

without further verification, upon information you provide to us from 3rd parties including, but not limited to, K1's, 1099's, 1098's, receipts, and similar items.

We will use our professional judgment in preparing your tax returns. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. We will adopt whatever position you request on your return so long as it is consistent with the codes, regulations, and interpretations that have been promulgated. If the Internal Revenue Service should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments.

If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure without your express permission.

By executing this engagement letter you consent to this firm using your tax return information to send you, by any medium: firm newsletters, surveys, press releases, information concerning firm seminars and non-tax related services, and any other communication sent to some or all of the firm's clients. This consent shall be valid for five years. You may request at any time to not receive these communications.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover fraud, defalcations or other irregularities, should any exist. Also, we are not specifically looking for compliance with other federal and state tax matters such as sales tax, payroll tax, excise tax, or gift and estate taxes. We would be happy to consult with you on any of these other tax matters at your request. We will render such accounting and bookkeeping assistance as we find necessary for preparation of the income tax returns.

During the course of our engagement we may give you tax advice based on current tax law. Tax law frequently changes due to judicial and legislative actions. We are not responsible for any adverse consequences as a result of future law or procedural changes.

In recognition of the relative risks and benefits of this agreement to both the client and the accounting firm, the client and the accounting firm have discussed and have agreed on the fair allocation of risk between them. As such, the client agrees, to the fullest extent permitted by law, to limit the liability of the accounting firm to the client for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the accounting firm to the client shall not exceed the accounting firm's total fee for services rendered under this agreement. The client and the accounting firm intend and agree that this limitation apply to any and all liability or cause of action against the accounting firm. Both parties agree that there is a one year limitation period to bring a claim against us for errors and omissions. The one year period will begin upon the date of the tax professional's signature on the tax returns covered by this engagement letter.

If any dispute arises among the parties, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes. If the parties are unable to resolve the dispute through mediation within 60 days from the date notice is first given from one party to the other as to the existence of such a dispute and the demand to mediate, then they may proceed to resolve the matter by arbitration. Costs of any mediation proceeding shall be shared equally by all parties.

If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

Expatriate Client Questionnaire

EXPAT Considerations

Under U.S. law, you are required to report all of your worldwide income, both foreign and domestic on a Form 1040, Individual Income Tax Return. More importantly, even if you owe no U.S. tax due to foreign tax credits, foreign earned income exclusion, or the like, you still have other reporting requirements if you have over \$10,000 in assets in foreign financial institutions **at any time** during the year, or have interests in foreign corporations, partnerships or trusts. Below is a discussion of the penalties for not filing the various information returns required of expatriates (US citizens living abroad.)

The Penalties:

Willful failure to file FinCen Form 114 (Report of Foreign Bank and Financial Accounts or "FBAR") will generate a penalty as high as the greater of \$100,000 or 50% of the highest yearly value of your foreign account per violation (i.e. per account, per year). For example, the penalty for a \$500,000 account that went unreported for 4 years could be as high as \$1,000,000 (\$250,000 x 4 years). In addition to the civil penalties, criminal prosecution is also a possibility.

Failure to file Form 5471, "Information Return of U.S. Persons with Respect to Certain Foreign Corporations" can be as high as \$50,000 per return.

Failure to file Form 8938, "Statement of Specified Foreign Financial Assets" can also be as high as \$50,000 per return.

There are several other informational disclosures required to be filed in certain situations. The penalties for not filing are prevalent and large.

We appreciate the opportunity to serve you. Please sign and date below to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. It is our policy to initiate services after we receive the executed engagement letter.

Sincerely,

Williams & Parsons, PC

Certified Public Accountants

_____ **Date** _____

Client Signature

Print Name

Expatriate Client Questionnaire

Appendix A

Important - Additional Forms Which May Be Required

A. **FOREIGN FINANCIAL ASSET REPORTING REQUIREMENT:** There is a reporting requirement as part of your tax return for individuals who have "Specified Foreign Financial Assets" in excess of certain levels. Specified Foreign Financial assets include the following:

- Deposit or Custodial accounts (such as bank accounts) at a foreign financial institution, including many retirement and pension accounts
- Any equity or debt interest in a foreign financial institution
- Other foreign investments such as stock issued by non-US persons, any interest in a foreign entity, and any financial instrument issued by a non-US person (Foreign stock held directly).
- Foreign real estate is NOT a specified foreign financial asset and you do not have to count it, *unless it is held in a trust or corporation.*

IF YOUR TOTAL COMBINED FOREIGN FINANCIAL ASSETS (INCLUDING FOREIGN BANK ACCOUNTS) EXCEED THE FOLLOWING LEVELS THEN THIS FORM 8938 IS REQUIRED:

Filing Situation	Value on last day of the tax year is at least this amount:	Or, at any time during the tax year, the value is greater than:
Single or Married Filing Separate taxpayers living in the U.S.	\$50,000	\$75,000
Married Taxpayers filing jointly living in the U.S.	\$100,000	\$150,000
Taxpayers not filing jointly who are living outside the U.S.	\$200,000	\$300,000
Married Taxpayers filing jointly who are living abroad	\$400,000	\$600,000

- B. Are you a signatory on (or do you have) a foreign bank account, foreign investment account, or other foreign account whether you are the owner or not? _____ Yes _____ No
- C. Did you have an ownership in a foreign bank account, and did the *combined amount* in all of your foreign bank and other financial accounts (including foreign pension accounts) ever equal or exceed the equivalent of US \$10,000 at any point during the tax year? ___ Yes ___ No If yes, please complete the Foreign Financial Account Worksheet.

If you choose to prepare this form on your own, check here _____ and provide us a copy when complete.