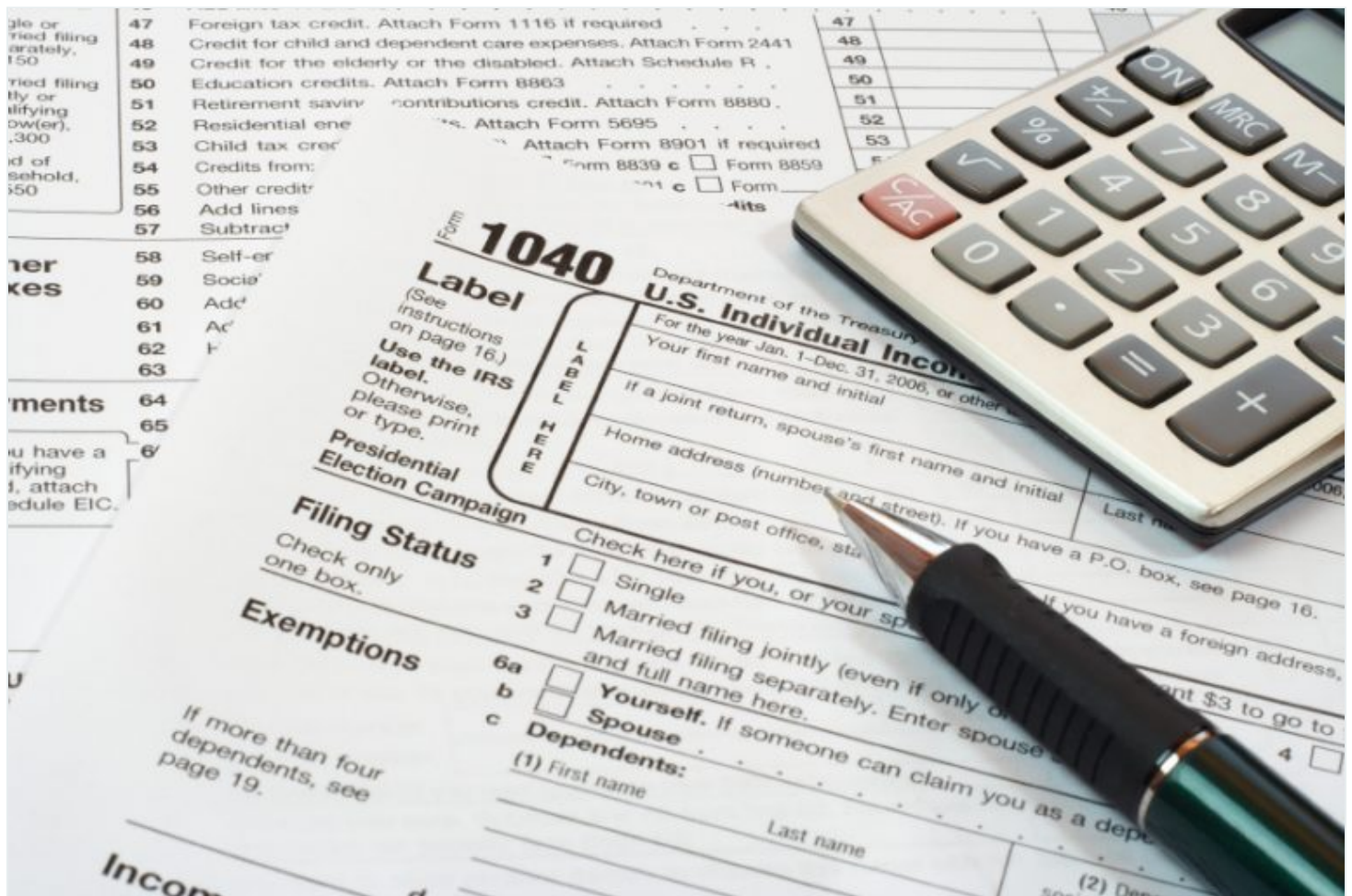


Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

deadline, tax-filing extensions are available and they can even be requested ...

Jun. 12, 2017



The IRS is reminding taxpayers living and working abroad that they must file their 2016 federal income tax return by Thursday, June 15.

The special June 15 deadline is available to both U.S. citizens and resident aliens abroad, including those with dual citizenship. For those who can't meet the June 15 deadline, tax-filing extensions are available and they can even be requested electronically. In addition, a new filing deadline now applies to anyone with a

foreign bank or financial account required to file an annual report for these accounts,

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

their tax home and abode are outside the United States and Puerto Rico. Those serving in the military outside the U.S. and Puerto Rico also qualify for the extension to June 15.

Be sure to attach a statement indicating which of these two situations applies. Interest, currently at the rate of four percent per year, compounded daily, still applies to any tax payment received after the original April 18 deadline. For details, see the When To File and Pay section in [Publication 54](#), Tax Guide for U.S. Citizens and Resident Aliens Abroad. **Special Income Tax Return Reporting for Foreign Accounts and Assets**

Federal law requires U.S. citizens and resident aliens to report any worldwide income, including income from foreign trusts and foreign bank and securities accounts. In most cases, affected taxpayers need to complete and attach [Schedule B](#) to their tax return. Part III of Schedule B asks about the existence of foreign accounts, such as bank and securities accounts, and usually requires U.S. citizens to report the country in which each account is located.

In addition, certain taxpayers may also have to complete and attach to their return [Form 8938](#), Statement of Foreign Financial Assets. Generally, U.S. citizens, resident aliens and certain nonresident aliens must report specified foreign financial assets on this form if the aggregate value of those assets exceeds certain thresholds. See the instructions for this form for details.

Choose Free File

U.S. citizens and resident aliens living abroad can use [IRS Free File](#) to prepare and electronically file their returns for free. This means both U.S. citizens and resident aliens living abroad with adjusted gross incomes (AGI) of \$64,000 or less can use

brand-name software to prepare their returns and then e-file them for free. A limited

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

required to file [Form 1040NR](#).

Automatic Extensions Available Taxpayers abroad who can't meet the June 15 deadline can still get more time to file, but they need to ask for it. Their extension request must be filed by June 15. Automatic extensions give people until Oct. 16, 2017, to file; however, this does not extend the time to pay tax. An easy way to get the extra time to file is through the [Free File](#) link on IRS.gov. In a matter of minutes, anyone, regardless of income, can use this free service to electronically request an extension on [Form 4868](#). To get the extension, taxpayers must estimate their tax liability on this form and pay any amount due. Another option for taxpayers is to pay electronically and get an extension of time to file. IRS will automatically process an extension when taxpayers select Form 4868 and they are making a full or partial federal tax payment using Direct Pay, the Electronic Federal Tax Payment System (EFTPS) or a debit or credit card. There is no need to file a separate Form 4868 when making an electronic payment and indicating it is for an extension. Electronic payment options are available at [IRS.gov/payments](#). International taxpayers who do not have a U.S. bank account should refer to the [Foreign Electronic Payments](#) section on IRS.gov for more payment options and information. **Combat Zone Taxpayers get More Time Without Having to Ask for it** Members of the military and eligible support personnel serving in a combat zone have at least 180 days after they leave the combat zone to file their tax returns and pay any taxes due. This includes those serving in Iraq, Afghanistan and other combat zone localities. A complete list of designated combat zone localities can be found in [Publication 3](#), Armed Forces' Tax Guide, available on IRS.gov. Various circumstances affect the exact length of the extension available to any given taxpayer. Details, including examples illustrating how these extensions are calculated, can be found in the Extensions of Deadlines section in Publication 3.

New Deadline for Reporting Foreign Accounts

Starting this year, the deadline for filing the annual Report of Foreign Bank and

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

taxpayers with foreign assets, even relatively small ones, to check if this filing requirement applies to them. The form is only available through the [BSA E-filing System](#) website. **Report in U.S. Dollars** Any income received or deductible expenses paid in foreign currency must be reported on a U.S. tax return in U.S. dollars. Likewise, any tax payments must be made in U.S. dollars.

Both Forms 114 and 8938 require the use of a Dec. 31 exchange rate for all transactions, regardless of the actual exchange rate on the date of the transaction. Generally, the IRS accepts any posted exchange rate that is used consistently. For more information on exchange rates, see [Foreign Currency and Currency Exchange Rates](#).

Expatriate Reporting

Taxpayers who relinquished their U.S. citizenship or ceased to be lawful permanent residents of the United States during 2016 must file a dual-status alien return, attaching [Form 8854](#), Initial and Annual Expatriation Statement. A copy of the Form 8854 must also be filed with Internal Revenue Service Philadelphia, PA 19255-0049, by the due date of the tax return (including extensions). See the instructions for this form and [Notice 2009-85](#), Guidance for Expatriates Under Section 877A, for further details.

More Information Available Any U.S. taxpayer here or abroad with tax questions can refer to the [International Taxpayers](#) landing page and use the online [IRS Tax Map](#) and the International Tax Topic Index to get answers. These online tools group IRS forms, publications and web pages by subject and provide users with a single entry point to find tax information. Taxpayers who are looking for return preparers abroad should visit the [Directory of Federal Tax Return Preparers with Credentials and Select Qualifications](#).

To help avoid delays with tax refunds, taxpayers living abroad should visit the

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved