

U.S. Corporate Income Taxes

Guiding your business through the maze of U.S. income tax rules



The problem and the solution

Your organization has identified potential markets or acquisitions in the U.S. that can offer new growth, or your business has been acquired by a U.S. owner. You have heard of the complexity and potentially high tax rates in the U.S. and want to proceed in a manner that best manages your global effective tax rate. How should you structure your entry into the U.S.? How will the U.S. tax rules affect your European operations if you now have a U.S. owner? How can you integrate European tax planning with U.S. tax planning?

The Deloitte U.S. tax practice based in Brussels can offer specialist advice in corporate, partnership, and other U.S. income taxes. Because the group is in Europe, they can easily integrate with you and the Deloitte European tax team - in the same time zone and at a common location. The partner and managers of the team are all licensed certified professional accountants, lawyers or tax professionals licensed by the Internal Revenue Service.

U.S. tax laws are complex and far-reaching and can have a material impact on the global effective tax of an international business.

The U.S. corporate tax group assists global organisations in identifying and complying with U.S. tax law. We also provide assistance with analysing and designing structures to help minimize U.S. tax.

What are the benefits?

Our U.S. tax experts can provide consulting services on issues affecting both inbound (into the U.S.) and outbound (out of the U.S.) investments, including:

- Mergers and acquisitions;
- Restructuring of a group of companies;
- Financial structures;
- Application of controlled and non-controlled company rules;
- Transfer pricing coordination; and
- Tax sharing agreements.

The services we provide to assist in strategic planning include:

- Hybrid entity and instrument planning;
- Withholding tax and tax treaty planning;
- Foreign tax credits, net operating losses and other U.S. tax attribute planning;
- Reorganization planning.

In recent years, the U.S. has become even more exacting in its requirements for tax reporting by companies. We can complete compliance projects for U.S. corporate income taxes, including U.S. federal and state compliance, and accounting for corporate income taxes.

We provide the following services to assist in U.S. reporting:

- the preparation of U.S. tax filings, including federal, state and local returns;
- assistance in responding to audits and queries from the IRS; and
- preparation or review of quarterly or annual financial statement inclusions for accounting for income taxes.

We keep you abreast of the tax issues of which you need to be aware, to identify cost-saving opportunities and to meet the regulatory requirements of both the host and home countries. We work seamlessly with colleagues in the Deloitte network to bring you comprehensive solutions that take into account all aspects of the issues raised.

Example

We typically discuss the nature of your involvement in the U.S. and the interactions between your U.S. and local country segments. Depending on the focus of the project, we will gather appropriate information from you and establish a mutually-agreeable timeframe for completion.

We will thoroughly research the relevant U.S. tax law for each aspect of the project and coordinate with local country specialists within the Deloitte network for appropriate resolution of cross border issues. For consulting projects, we will communicate to you the outcome of our analysis and advise you on how to implement the solution or structure. For compliance projects we will prepare the necessary U.S. federal, state, and local tax filings and provide you options for transmitting the returns to the appropriate taxing authority.

We strongly believe that our relationship with our clients is a partnership – and that sharing knowledge is one way to build trust in that partnership. We can provide you with regular updates and insights on the latest developments in U.S. tax and how they could affect your organisation.

More information

Find out more about how Deloitte can serve your business needs by visiting our website at www.deloitte.be.

If you have any questions on this specific topic, please send an email to beuscorporatetax@deloitte.com.

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