

## Report of Foreign Bank and Financial Accounts (“FBAR”)



Deloitte’s Global Information Reporting (“GIR”) practice is comprised of professionals with extensive tax technical knowledge and experience with process and technology, including capabilities specific to FBAR. We can work closely with you to assist in complying with your organization’s and your employees’ FBAR requirements.

### Why now?

As evidenced by the implementation of the Foreign Account Tax Compliance Act (“FATCA”), offshore tax compliance is a top priority of the IRS. Accordingly, in the past several years, the IRS has increased its scrutiny to ensure increased attention towards FBAR compliance. Also, the Financial Crimes Enforcement Network (“FinCEN”) announced changes to FBAR compliance procedures last year.

- On September 30, 2013, FinCEN announced that FBARs must be electronically filed and that paper filings will no longer be accepted.

The new changes in FBAR compliance requirements and stricter enforcement make it even more important for organizations to identify their own filing requirements as well to provide information on a timely basis to impacted employees in order for them comply with their requirements.



## Paving the Road to Compliance – Smart Solutions for Global Information Reporting

### What is the impact?

- Individuals and organizations who have a direct or indirect interest in reportable foreign financial accounts must file an FBAR and comply with other tax reporting requirements for the accounts.
- Individuals who have signature authority over reportable accounts, including by virtue of their employment, must report that signature authority not only under the FBAR rules but also on their individual tax returns.
- For many taxpayers, the FBAR rules have created greater administrative and compliance burdens.
- Organizations may need to direct considerable resources to ensure compliance with the FBAR rules and regulations.
- Significant criminal and civil penalties exist for noncompliance.

### Who can benefit?



- U.S. multinational companies, with a wide global presence, across various industries, must file FBARs for their foreign accounts and will likely have employees subject to the FBAR reporting.
- Asset managers, hedge fund managers, and investment advisors with offshore funds and investments may have reporting obligations on their own behalf and additionally their employees may have reporting obligations for the offshore accounts of investments they manage.

## Deloitte service highlights

Deloitte can assist organizations in understanding and complying with FBAR rules and regulations, allowing their employees to focus on other significant business priorities. Our GIR team provides the following FBAR services:

### FBAR Compliance Services

- Analyze information and provide data collection assistance to:
  - Determine reportable accounts
  - Identify individuals with signature authority
  - Determine applicable exceptions
  - Notify employees of filing and reporting obligations (including communications regarding reporting obligations on individual tax returns)
- Automate preparation of FBAR forms and determine applicable exceptions
- Assist with the recordkeeping requirements and documentation processes

### FBAR Consulting Services

- Assist with delinquent FBAR filings
- Provide advisory on FBAR-related tax controversies
- Provide advisory services to reduce compliance burden
- Assist with streamlining internal FBAR compliance processes
- Assist with other FBAR requirements

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## Why Deloitte?

By reducing manual tasks, saving time, and analyzing risks, Deloitte's GIR team can provide strategic value to the systems and processes necessary to support foreign withholding documentation and payment processes, through providing:

- Broad experience with FBAR compliance including reporting, controversies, and assistance with development of internal policies and procedures
- A focused yet flexible approach and scalable service to support your organization's particular needs
- A globally connected, multidisciplinary team dedicated to tax function value creation, value preservation, and process excellence
- Broad range eminence in the marketplace; thought leadership
- Technology and tax technical skills including deep industry knowledge and insights into key regulatory trends affecting information reporting
- Established Centers of Excellence involving integrated teams in the U.S. and India that are experienced on engagements of all sizes
- Demonstrated track record on engagements assisting clients in all phases in the tax data life cycle, including foreign withholding documentation and payment processes
- A view into the latest technologies and software products, plus insight on how they work in different finance and tax environment