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Reminder From Dennis Brager to All Foreign Bank Account Holders: IRS FBAR Tax Form Due June 30

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LOS ANGELES, June 11, 2013 (GLOBE NEWSWIRE) -- All U.S. individuals and entities who have a financial interest in or signatory authority over foreign financial accounts with total balances over \$10,000 need to file an FBAR (Foreign Bank and Financial Accounts Report) form with the IRS by June 30(th) . Unlike other IRS forms, which must be postmarked by the due date, FBAR Form TD F 90-22.1 must be received by the IRS, on or before the due date. "It is estimated that there are millions of people with foreign bank accounts who are unaware of their filing obligations," comments Brager Tax Law Group founder Dennis Brager, a tax attorney, who is a California Tax Specialist and former Senior Tax Attorney with the IRS.

Failure to properly file FBAR tax forms can lead to large fines and even jail time. The current civil penalty for knowingly failing to file an FBAR form is a fine up to 50 percent of the total foreign account balance. And, each year of non-compliance can lead to separate and cumulative penalties.

For those individuals who have failed to file FBAR forms, but would now like to step forward, there are options to help alleviate some of the high penalties and fines. One option is the Offshore Voluntary Disclosure Program (OVDP) where some taxpayers may be eligible for penalties as low as five percent of the account balance, although most will receive a 27.5 percent penalty. In order to participate in the program, taxpayers must file all original and amended returns (including payment of back taxes and interest) for up to eight tax years.

The "Streamlined" Filing Compliance Procedures is an alternative solution for non-resident, non-filer U.S. citizens. Those who qualify will only have to file tax returns for three years (rather than eight under the OVDP), and the IRS will not impose FBAR or other penalties. In order to qualify, taxpayers must have lived outside of the U.S. since January 1(st) , 2009,

cannot have filed a U.S. tax return during the same period and must present a "low level compliance risk."

"There are other possibilities," adds Brager. "But this is a very complicated process. Anyone who has a foreign account and who has not filed an FBAR in the past should consult a qualified tax litigation attorney to consider participating in the IRS' disclosure programs. If the IRS discovers the account first, the penalties can be confiscatory."

Based in Los Angeles, the Brager Tax Law Group is a tax litigation and tax controversy law firm, which represents clients with tax problems and tax disputes with the IRS, the California Franchise Tax Board (FTB), the State Board of Equalization (SBE) and the Employment Development Department (EDD). All of the firm's tax lawyers were former trial attorneys with the IRS. They work with clients on all available alternatives for FBAR non-filers.

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