

Stafford Webinar: Form 5471 for Interests in Foreign Entities: CFC Reporting Relief, Determining Ownership Share and Filing Status

John Samtoy, International Tax Partner
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Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations; has long been one of the most complicated reporting obligations in the U.S. offshore information tax reporting regime, and the 2017 legislation created additional challenges, increasing both the amount of information required and the number of U.S. taxpayers obligated to file. Failure to file a "substantially complete" Form 5471, absent reasonable cause, exposes the taxpayer to **severe monetary and other penalties**, beginning at \$10,000 per year per missed form.

Filing Form 5471 requires data reporting from simple to highly intricate. Correctly completing the form involves **hours of intensive work**, including proper recordkeeping and data analysis. U.S. individuals and entities that own, acquire, or dispose of shares of a foreign corporation may be required to file Form 5471 with their income tax returns. U.S. officers and directors of these foreign corporations may also have reporting responsibility.

Foreign corporation attribution rule changes under tax reform further complicate compliance. **Revenue Procedure 2019-40 provides relief from specific foreign corporation reporting obligations.** New for 2019, the IRS has stated its intention to amend the instructions for the form to reduce the informational reporting requirements for CFCs and some unrelated minority U.S. shareholders.

Listen as our panel of veteran advisers identifies and explains the more challenging aspects of preparing Form 5471 for U.S. owned foreign corporations. The panel will outline approaches to help you accurately identify taxpayer reporting categories, determine relevant direct, indirect and constructive ownership interests, identify common compliance mistakes, and stay ahead of IRS examination issues.

To register for the webinar, click on the following link: <https://www.straffordpub.com/products/form-5471-for-interests-in-foreign-entities-cfc-reporting-relief-determining-ownership-share-and-filing-status-2020-03-05>