

## General Memorandum to all clients who file US tax returns, and have foreign financial accounts

As most of our clients know, U.S. citizens or residents who have foreign financial accounts are required to disclose the existence of such accounts to the IRS each year. Form 90-22.1 is used for this purpose and is provided as part of the preparation of your tax returns.

During the past twenty years or so, we have not pursued every detailed piece of data for these reports – especially as it relates to the account numbers when multiple accounts are involved. In many instances, the word “various” was shown and this had been acceptable to the IRS. We took this position to help keep costs down.

We recently were advised by the IRS that they are stepping up their scrutiny of these reports and will now insist that all data be fully reported. Some clients have already received notices requesting additional information to which we have responded.

In order to comply with the new enforcement action and to avoid unnecessary requests for data from the IRS, we ask that extra effort be given to reporting to us ALL foreign financial accounts. This includes bank accounts, investment accounts, retirement accounts AND any accounts for other people or entities over which you have signing rights.

For EACH (and every) such account, we need the following:

- Name of financial institution
- Mailing address of financial institution
- Account number
- Maximum value in the account (US\$) during the year
- Type of account (bank, investment, retirement, etc.)
- Explain joint ownership or if just signing authority

To assist with this, we are including a blank chart which you may use to record the data. Feel free to make photocopies if extra space is needed. We also suggest glancing over your prior year tax return to ensure no small accounts are overlooked. Please use a separate page for each spouse, if appropriate.

This can be sent along with your regular tax data. Please feel free to call if you have any questions.

FOREIGN (NON US) FINANCIAL ACCOUNTS  
FORM TD F 90-22.1 DISCLOSURES

Tax Year: \_\_\_\_\_ Name of Taxpayer: \_\_\_\_\_

Name of Financial Institution	Mailing Address of Financial Institution	Account Number	Maximum Value	Type of Account

As most of our clients know, U.S. citizens or residents who have foreign (non US) financial accounts are required to disclose the existence of such accounts to the IRS each year if the aggregate highest amount in **all** accounts totals \$10,000 or more. Form TD F 90-22.1 is used for this purpose and is provided as part of the preparation of your tax returns.

**NOTE: TD F 90-22.1 must be filed by June 30<sup>th</sup> regardless of whether your income tax return goes on extension.**

In order to comply with these rules and to avoid unnecessary requests for data from the IRS, we ask that extra effort be given to reporting to us ALL financial accounts. This includes **bank accounts, investment accounts, retirement accounts, cash surrender values in foreign life insurance policies**, AND any accounts for other people or entities over which you have **signing authority**.

For EACH (and every) such account, we need the following:

- Name of financial institution
- Full mailing address of financial institution
- Account number
- Maximum value in the account (US\$) at ANYTIME during the year
- Type of account (bank, investment, retirement, etc.)
- Explain joint ownership and if just signing authority

To assist with this, please record the data in the spaces above. Feel free to make photocopies if extra space is needed. We also suggest reviewing your prior year tax return to ensure that no small accounts are overlooked. Please use a separate page for each spouse, if appropriate.