

Expatriate Foreign Earned Income Exclusion Worksheet

Please use this worksheet to give us your foreign earned income information for preparation of your tax returns.

Please download, open in Adobe, complete and securely upload the PDF to your client portal. Please do not email this worksheet since it contains sensitive information. You can access your client portal here-

www.watsoncpagroup.com/portal

Caution: many browsers will give you the warm fuzzy that your information is being saved however when we receive it, the PDF is blank. As such, please download first and then open with Adobe, rather than using your browser.

Worksheets Available

Here is a list of our worksheets. As mentioned before, you do not have to replicate data that is available elsewhere. For example, mortgage interest and real estate taxes reported on Form 1098 do not need to be entered again with our worksheets. Let's keep life simple and easy for you; that's why you hired us.

Contact Info	Used for basic contact information	www.wcgurl.com/60
Dependents	Used for dependents and dependent care	www.wcgurl.com/61
Education	Used for education expenses, student loans, 529	www.wcgurl.com/62
Deductions	Used for moving, medical, local taxes, home, charity, IRA	www.wcgurl.com/63
Small Business	Used for LLCs and S Corps to report income and expenses	www.wcgurl.com/64
Rental Property	Used for rental property income and expenses	www.wcgurl.com/65
Auto Expenses	Used for actual expenses and mileage information	www.wcgurl.com/66
Home Office	Used for home office deductions	www.wcgurl.com/67
Property Sale	Used for reporting real estate sales, home and rental	www.wcgurl.com/68
Expatriate (this one)	Used for expatriates to report foreign income, dates	www.wcgurl.com/69
Annual Questionnaire*	Used for tax questions including retirement contributions	www.wcgurl.com/70

* Everyone is strongly encouraged to review the annual questionnaire. As tax laws change from year to year, we need to ask questions to ensure you are getting the most out of your tax returns.

Getting correspondence from the IRS is important. Using the Watson CPA Group as your registered agent for receiving mail from the IRS and any state taxing agency (if applicable) is a great way to stay ahead of any problems. We scan all correspondence for you, upload it to your client portal and alert you to any actions that need to be taken. Our annual fee is \$100 and can be added to your tax return fee- just let us know.

Please let us know which address to use for IRS mailings and correspondence.

Permanent U.S. Address

Friend/Family Address

Watson CPA Group

Income Information

Name of Employer _____

Emp. Foreign Address _____

Employer U.S. Address _____

What entity type is your employer?(circle one)

Foreign Entity

U.S. Entity

Self

Other _____

Your Occupation _____

Wages, Salary _____ **(only list income earned while in a foreign country)**

Housing Allowance _____

Meals Allowance _____

Car, Travel Allowance _____

For the currency question below, please tell us the currency that is used to pay you. Currency conversions to USD can be problematic for floating currencies- at times it is better to use the average and at times it is better to use the spot rate at 12/31. The IRS also has a table. We will discuss the conversion of currency with you to optimize your tax position.

Also, please provide the foreign taxes you have paid. Certain countries have a fiscal tax year that is different than the United States calendar tax year. At times you need to wait to file your U.S. tax return until after your host country tax return- we understand. If that is the case, you can enter TBD (to be determined) in the text box below for foreign taxes paid.

Income Currency _____

Foreign Income Taxes Paid _____ **(do not include social insurance / programs taxes)**

Did you have any other foreign income? Please explain below-

Did you return to the United States for business purposes, and earn income while you were here? For example, you are an employee of a U.S. defense contractor and you are working in Saudi Arabia. The company sends you back to the United States for two weeks of training. The portion of the salary paid to you while you were in the U.S. cannot be excluded with the foreign earned income exclusion since it was earned in the U.S. If this applies to you, please explain below-

Exclusion Testing

What date did you leave the United States? _____

What date did you return to the United States? _____ (or NA if still abroad)

During the tax year, did you return to the United States for temporary trips? If so, please provide dates-

During the tax year, how many days were you in the United States? _____

Please list your tax homes (physical locations where you earned income) and the dates established during the tax year below-

Principal Country of Employment _____

Principal City of Employment _____ (used to determine high cost adjustment)

What type of visa did you use to enter the foreign country? _____

Did you make any statements to authorities stating you were not a resident? YES NO

Did you pay foreign taxes or were you subjected to foreign taxation? YES NO

Have you filed a U.S. tax return claiming the foreign earned income exclusion in the past? If so, please explain which tax years, and which test you used to qualify (physical presence, bona fide residency) below:

Housing, Property Information

Did you receive any reimbursements for your living expenses? If so, please describe below:

What type of foreign housing did you have? Purchased Rented Employer Furnished

Did any of your family live with you during your time abroad? If so, please detail who and the dates below:

Do you own property in the United States? If so, please detail who lived there and the dates below:

Foreign Bank Accounts Reporting (FBAR) and Foreign Account Tax Compliance Act (FATCA)

Did you have signature authority for or an ownership interest in any foreign bank or investment accounts, the aggregate value of which was \$10,000 USD or greater on any day during the year? If so, please explain-

Did you have an ownership interest in specified foreign financial assets, the aggregate value of which exceeded \$50,000 USD on any day during the year? If so, please explain-

There are exclusions and limitations to all this FBAR, FinCEN and FATCA stuff, and we know this is a pain, but the penalty for non-compliance is severe. It is doubtful that gun runners would take the time to file a U.S. tax return, but at the same time please explain your bank account holdings and associated balances below-

Miscellaneous

Any other information that might be pertinent to your foreign earned income exclusion?

Disclosure

I(We) verify that the information provided in this **Expat and Foreign Earned Income Worksheet** is accurate and complete. I(We) understand it is my(our) responsibility to include any and all information concerning income, deductions and other information necessary for the preparation of my (our) tax returns.

Taxpayer Signature _____ Date _____

Printed Name _____

Spouse Signature _____ Date _____

Printed Name _____

Please call or email us anytime with your questions and concerns. Thank you in advance, and we look forward to working with you!

The Watson CPA Group