



Citizenship Renunciation: Record number of Americans give up citizenship as tax laws bite



Citizenship Renunciation. This is not a phrase that most people living in the U.S. think about. If that is the case, then why pray tell did renunciations of US citizenship hit a record high in 2015? Over 4,200 individuals went through this process last year to be exact. What could possibly be the reason, and who would consider taking such a drastic step?

Do you have any money or assets outside of the U.S.? If the answer is 'Yes', then you probably have already completed the appropriate form(s) for the IRS and U.S. Treasury to declare funds kept offshore in excess of \$10,000 USD. For U.S. citizens and residents it is extremely important to complete those forms. The penalty for not doing this is a minimum \$10,000 USD! One Florida taxpayer was fined over \$2,000,000 in penalties for failure to comply with this new requirement. This is an enforcement campaign run by U.S. officials with the goal of being anti 'undeclared offshore accounts'. Should you have any questions about the IRS and U.S. Treasury reporting requirements for offshore assets held by U.S. citizens and residents, drop us a message. We have a referral to an excellent resource that can guide you on the reporting requirements of the IRS.

This has caused many to take their finances, and their privacy, into their own hands. The process is not as difficult as one may think. It can be accomplished in 5 steps as outlined in [this](#) article:

1. Get a Second Passport. In order to renounce your US passport you are recommended to have a second passport and, if you obtain one, you are required to bring this with you to your renunciation appointment. This is to avoid being 'stateless'. To be clear, it is not a requirement, but it will help to smooth out the process. Ensure that the passport you acquire is directly issued by the government in question and never be tempted to purchase one off the Internet.

2. Review the Renunciation Forms and Prepare DS-4079. Follow

this [link](#) to see a list of exactly which forms you need to fill out.

3. Book your Renunciation Appointment. Ideally you would book your appointment at the embassy or consulate in the country (and possibly city) where you plan to live once you renounce your passport. However, other embassies and consulates will take you, so it pays to “appointment shop” as the wait times can fluctuate greatly among locations. When you book the appointment, make sure to indicate how many people are renouncing US citizenship, if it’s more than one. If you don’t want to book the appointment yourself, you can have your expat lawyer do it for you. However, having a lawyer book the appointment for you can delay the process in some places, as they may require written proof that your lawyer represents you. They ask for this proof via Form G-28.

4. Attend your Renunciation Appointment. Make sure you take both of your passports to your renunciation appointment. Bring your birth certificate and if you have a certificate of naturalization from the country of your second passport, bring that too. There may be a long line just to get inside the embassy or consulate. If there is, politely let them know you have an appointment booked.

Be prepared to complete many copies of each form at the appointment and keep them organized in stacks. Proofread everything you and the official put on the papers. Make sure the signatures are in the right place.

5. File Your Final U.S. Tax Return. Your final tax return will be from January 1st through the day you expatriate. Here are the [instructions](#) and the [form](#) itself. IRS forms are periodically updated, so make sure you have the most recent one.

This is not an easy decision to make, and it should not be considered lightly. If, after careful consideration, you feel this is the best move for you and your family, we are here to

help you with the first step in this direction, obtaining a second passport. Subscribers of the Q Wealth Report receive many benefits to help with this process such as:

- Access to up-to-date reports and guides such as 'The Second Passport, Citizenship and Residency Report'
- Free email consultations with our panel of professionals to help create a strategic roadmap for your unique set of circumstances
- Access to our rolodex of professionals in the world of citizenship, residency, asset protection and more!
- \$500 discount from Paraguay Residency Application
- \$1000 discount from any application for an approved Caribbean Citizenship Program
- And more!

Send an email to info@qwealthreport.com to receive more information on the benefits of subscribing and to start the process of obtaining your second citizenship today!

All thanks for this article go over to Laura Saunders at Market Watch. Thank you for the great content!

Best Regards,

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