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Ownership of Foreign Assets May Require Filing of Form BE-10

Tax Controversy

Tax Planning & Structuring

If you own at least 10% of a foreign company or any foreign rental real estate, you are required to file a form BE-10 by May 29, 2020 ^[1]. The BE-10 is a survey conducted by the Bureau of Economic Analysis (BEA) every five years to gather economic data about U.S. companies and individuals' investments outside of the United States. Important aspects of the requirement include:

- There is no minimum asset or income (i.e., a one-time rental of foreign real estate in 2019 subjects the owner to a reporting requirement)
- There is a filing requirement regardless of whether foreign real estate is held in an entity, a trust or individually ^[2].
- Potential fines for not filing range from \$2,500 to \$25,000

If foreign real estate generated any income in 2019, filing is required. U.S. territories (e.g., Puerto Rico and Guam) are not considered "foreign" for BE-10 reporting, but associated states (e.g., the Marshall Islands, Palau and Micronesia) are considered foreign.

According to the [BEA website](#), the BE-10 form will be available sometime between mid-February and March.

If you would like assistance in determining if you have a filing requirement, or in completing the form, please contact a member of Gould & Ratner's [Tax Planning and Compliance Practice](#).

^[1] June 30 for a U.S. Reporter required to file 50 or more forms.

^[2] Certain private funds are exempt from filing.