

IRS Announces Procedures to Assist Low Risk Overseas U.S. Taxpayers

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New procedures go into effect on September 1, 2012, that, among other things, allow qualifying taxpayers to resolve certain concerns relating to participation in foreign retirement plans. The IRS provides the example that in some instances tax treaties allow for income deferral under U.S. tax law, but only if an election is made on a timely basis. The new procedures apply to low-risk taxpayers, defined as those with simple tax returns who owe \$1,500 or less in tax for any of the covered years. To use the procedures, a taxpayer must file delinquent tax returns along with related information returns for the past three years. The taxpayer also must file delinquent FBARs for the past six years. Additional information can be found on the IRS website [here](#).