## *Operating Abroad:* Tax Implications and Other Considerations for US Non-Profit Organizations

*Misty Burns* Director, Finance – Michael & Susan Dell Foundation

*Nick Quigley Manager – Ernst & Young LLP* 

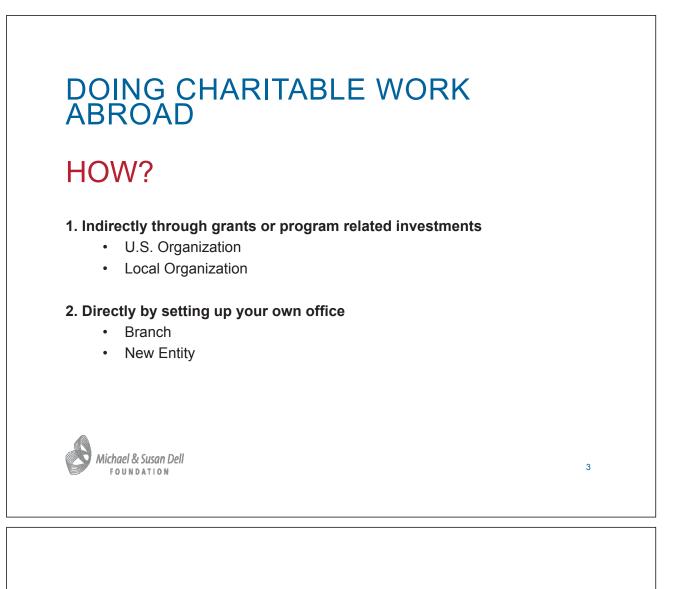


EY

### Agenda

- Doing Charitable Work Abroad
  - Directly or indirectly
- Complying with Local Laws / Regulations
- US Tax Filings: Information Reporting Requirements
  - Forms 5471 / 8865 / 926
  - FATCA and "Chapter 3" / Form 1042 Filings
  - Common Reporting Standard (CRS)
  - Foreign Bank Account Reporting (FBAR)

Page	2
------	---

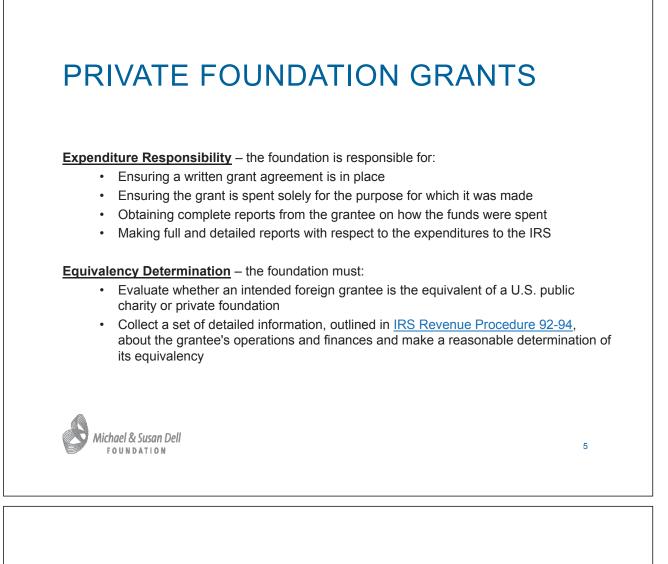


# PRIVATE FOUNDATION GRANTS

### Support Work in Other Countries Through Grants to Existing Organizations

- Does the organization have 501(c)(3) status?
- Grants to foreign organizations that have not received 501(c)(3) status require <u>either</u>
  - expenditure responsibility or
  - equivalency determination
- Funding based on USD or local currency? Who bears the FX risk?





# FOREIGN CHARITIES – SPECIAL CONSIDERATIONS

#### Foreign custom and practice

· It may be very different than US custom and practice

### Special local rules applicable to foreign charitable organizations

• For example, FCRA in India



Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the <u>UT Law CLE eLibrary (utcle.org/elibrary)</u>

# Title search: Operating Abroad: Tax Implications and Other Considerations for U.S. Nonprofit Organizations

Also available as part of the eCourse 2017 Nonprofit Organizations eConference

First appeared as part of the conference materials for the 34<sup>th</sup> Annual Nonprofit Organizations Institute session "Operating Abroad: Tax Implications and Other Considerations when U.S. Nonprofit Organizations Work Outside the U.S."