

# International Taxation Practice Group (ITPG) North America: Goals for the International Tax Practice Group

**By Robert Simon**

Similarities and differences. Both became obvious to the attendees at the inaugural meeting of the ITPG for North America in October. Hosted in Toronto, ITPG was part of the initial meeting of GGI's North American Region, which preceded the highly successful World Conference.

Similarities included the expertise, professionalism and affability of the members in attendance. Attendees demonstrated a common desire to expand their knowledge of international tax and cultivate professional relationships to service clients in the best ways possible.

As for differences, those became more obvious after the presentations to the North American regional members, ITPG, the workshops and the discussions that followed.

Attendees gained a better understanding of the tax systems in North America and how they differ from the methodology used in other parts of the world.



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It is hard to imagine that in 2010, EisnerLubin was the first U.S.-based accounting firm to join the organization that included only a handful of other GGI members located in Canada and elsewhere in North America. Today, the  
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North American region boasts close to 30 members – and we are still growing due to the extraordinary efforts of Claudio Cocca, Adam Crowson and the entire staff of GGI HQ in Zurich.

It was wonderful to see the North American region well represented by a majority of its members at the meeting. With Oliver Biernat (global chair of the ITPG), and Stanley Ruchelman and newly appointed Cindy Hsieh, my co-chairs of the ITPG for North America, our region should become a valuable resource to our fellow GGI members in their North America dealings.

Here are some things that need to be taken into consideration as individuals come to the U.S. and Canada to work and invest. They will have to deal with issues such as:

- Residency rules
- Income, Social Security, gift and estate taxes
- State, provincial and local taxes
- Immigration issues
- The plethora of tax filings and compliance issues that exist in North America.

Also, executives need to plan for the types of compensation they will receive (salary, stock options, pension contributions et. al.). Individuals with family investment vehicles located outside of North America may need to re-consider and restructure their ownership thereof, prior to immigration. Long-term residents may have to deal with exit taxes and,

of course, income tax treaties need to be consulted and planned for. All of these should be considered prior to someone immigrating to the U.S. or Canada

Members of ITPG for North America are prepared to provide ongoing advice and planning regarding these issues, tailored to your client's needs, to fellow GGI members. There were also discussions in Toronto of our ITPG working with the Estate Planning, Trusts & Private Equity PG, as well as the Immigration & Executive Services PG, to jointly address some of these issues in the future.

For businesses that wish to come to North America to set up subsidiaries or branches, our ITPG is uniquely qualified to assist in the legal, accounting and tax issues that can and will be encountered at the federal, provincial, state and local levels. In addition, the United States Congress has an aggressive initiative underway to locate U.S. taxpayers who are trying to utilize non-U.S. investment vehicles and entities to hide their funds to evade U.S. taxation. ITPG for North America will continue to inform and assist our members with the compliance aspects of the Foreign Tax Compliance Act (FACTA).

Because of the uniqueness of the various state and provincial taxes that exist in the United States and Canada, members of the North American ITPG should also utilize fellow North American ITPG members to assist them with their clients that may be considering setting up operations in a state or province that they are

not comfortable giving advise on.

The members of ITPG for North America appreciate the fact that our fellow ITPG members in the other regions are available to assist us in meeting our clients' global needs. In turn, we invite them to utilize our services to help guide your clients in fulfilling their requirements in North America.

Please feel free to contact me at [rsimon@eisnerlubin.com](mailto:rsimon@eisnerlubin.com) with any questions.

GGI member firm

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## International Taxation Practice Group (ITPG)

# Paying tax all over the world

By Paul Malin

Tax authorities around the world are targeting clients who they suspect are not paying their fair share of tax. This may be as a result of perfectly acceptable and appropriate tax mitigation strategies.

However, here in the UK new events are unfolding. As someone who only deals in historical matters, I have represented a number of taxpayers over the last 25 years who have deliberately set out to evade tax and were subsequently found out. I have seen the Offshore Disclosure

Facility (ODF) and the New Disclosure Opportunity in the UK bring forward a different profile of taxpayer – one that is “complicated” and may get their tax affairs wrong simply by being an internationally mobile entrepreneur. Such taxpayers can engage an entourage of



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