



IRS Announces End to Offshore Voluntary Disclosure Program

Affected Taxpayers Should Act Now for the Opportunity to Significantly Reduce Potential Penalties
by Jason Rauhe, CPA

The IRS has announced that it will be ending its Offshore Voluntary Disclosure Program (OVDP) on Sept. 28, 2018. The most recent OVDP was designed in 2014 as a temporary amnesty program to allow taxpayers who willfully failed to report foreign financial assets to pay all tax due in exchange for protection from criminal liability. The OVDP has allowed such taxpayers to resolve their civil tax liabilities at reduced rates.

The IRS cites a growing awareness of offshore tax and reporting obligations and a significant decline in the number of taxpayers participating in the OVDP as reasons for terminating the program. The IRS will continue to enforce offshore compliance with tax and FBAR requirements using information received under the Foreign Account Tax Compliance Act (FATCA), as well as through other means.

Act Now

Individuals should take advantage of the OVDP to report foreign bank accounts that haven't been reported previously. Offshore voluntary disclosures must be *completed in full* and received or postmarked by Sept. 28, 2018. Skoda Minotti can assist affected taxpayers with preparing the required compliance.

To learn more about complying with OVDP procedures, or for questions about other **international tax** issues, contact Jason Rauhe, CPA, at 440-605-7124 or email jrauhe@skodaminotti.com.