

# Uptrend Advisory



## Key Considerations to have as an Australian in America

Topic	Explanation	Action list
Residency	<ul style="list-style-type: none"> <li>Whether you're a resident or a non-resident will impact your tax returns. To be a resident for tax purposes, you either need to have an immigration intending visa e.g. Green Card or have passed the substantial presence test which would mean to have been in the country for over 183 days of the year (there is a lookback rule as well)</li> </ul>	<ul style="list-style-type: none"> <li>If you do not have a Green Card or are a US citizen, do you have a visa that is subject to the substantial presence test? (You can check the IRS website)</li> <li>If you do have a visa subject to the test, check to see if you would be a resident for tax purposes in the calendar year</li> </ul>
Tax Return reporting	<ul style="list-style-type: none"> <li>If you have determined yourself to be a non-resident then on your US tax returns you would only need to state income effectively connected to the US e.g. US based investments or US employment income</li> <li>If you have determined that you are a resident for tax purposes then you will be taxed on your worldwide income e.g. your rental property in Australia, any residual employment income or dividends/interest income</li> <li>If you are a resident for tax purposes, you will also need to state your foreign assets if they meet certain thresholds through various forms</li> </ul>	<ul style="list-style-type: none"> <li>If you are a non-resident make sure whomever is preparing your returns is completing a non-resident return</li> <li>If you are a resident you will need to find your income sources from foreign (non-US) countries as well as assets and provide this to your accountant</li> </ul>
Tax Treaty	<ul style="list-style-type: none"> <li>Australia and the US have a tax treaty which prevents double taxation e.g. If you have already paid tax on employment/rental income in Australia, however need to state this on your US return, you can claim a foreign tax credit for the amount of tax paid on your US return to offset what the US calculates. The same logic would apply on your Australian tax return</li> </ul>	<ul style="list-style-type: none"> <li>Ensure your accountant is aware of the treaty and relevant sections to make that declaration on your return</li> </ul>
Remote work	<ul style="list-style-type: none"> <li>If you are working for your US employer remotely from Australia you may still be subject to US State &amp; Federal taxation depending on how you are classified e.g. as an Employee or a Contractor.</li> <li>If you are working for your Australian employer remotely from the US you will still be subject to Australian taxation, however it may be at the non-resident rates depending on your length of time</li> </ul>	<ul style="list-style-type: none"> <li>Check with your US employer if they will treat you as an employee or as a contractor. If as a contractor, please speak to your accountant to understand your responsibilities.</li> <li>Check with your Australian employer if they will withhold taxes as a resident or non-resident</li> </ul>
Accountants	<ul style="list-style-type: none"> <li>Unless you are prepared to educate yourself on the tax rules of both the US and Australia it would be recommended to engage with a professional to avoid any exposure to misreporting or penalties by attempting to file yourself with a software.</li> <li>If you choose to engage with a professional, enquire if they have experience with international tax between both jurisdictions as it is important that they understand what your requirements are and have past experience.</li> </ul>	<ul style="list-style-type: none"> <li>Check with your prospective Australian accountant if they are familiar with foreign income and tax credit reporting in your Australian returns</li> <li>Check with your prospective US accountant if they are familiar with reporting foreign income/foreign tax credits, tax treaty declarations, FBARs and other foreign forms e.g. Trusts, Foreign Corporations</li> </ul>

### Have questions and want to chat about your specific situation?

Visit us on [www.uptrendadvisory.com](http://www.uptrendadvisory.com) or our [Facebook page](#)

- Want help with your US taxes? Book in a complimentary 10 minute Discovery call [here](#) with Jason
- Want help with your Australian taxes? - Book in a complimentary 10 minute Discovery call [here](#) with Melissa
- Want help with both US/Australian taxes? - Book in a complimentary 20 minute Discovery call [here](#) with Jason & Melissa



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