

## Foreign Bank Account Reporting

There are **3 levels** of reporting based on account balances.

Foreign Accounts with:

1. **Balance less than \$10k** for entire year – Complete Foreign Bank Questions  
-link to Foreign Account Questions on Name and Address Screen  
-Answer Questions first part of 7a and 8
2. **Balance \$10k or more** at any point during calendar year – **#1 plus** Complete Foreign Bank Reporting FinCen Form 114 (Formerly FBAR) – this is filed separate from tax return, but filing must be indicated on foreign account questions screen in Drake. Answer both parts of 7a, and question 8

New for 2016: Foreign bank account reporting deadline is now APRIL 15<sup>th</sup> (previously June 30<sup>th</sup>)

Taxpayer can complete the form online, or we can complete (additional fee). If TaxSense submits return electronically, taxpayer must sign efile authorization FinCen Form 114A.

Web site for filing is <http://bsaefiling.fincen.treas.gov>.

3. **Balance \$50k** or more on the last day of the calendar year (or greater than \$75k at any point during the calendar year) **#1 plus #2 plus** Complete Form 8938 in tax return.  
Form 8938- Enter income in Part III as well as any tax credits or deductions related to that income.  
Note that the income must first be entered on the appropriate Schedule (B for interest, D for gains)  
Form 8938 only reports what income on the return is from foreign sources, it does NOT flow to return

MFJ returns limits raised to **\$100k** on the last day of the calendar year (or greater than \$150k at any point during the calendar year)

US Citizens living abroad and meet physical presence or bona fide presence test – filing limits raised to \$200k last day of year (\$300k any time) for single and \$400k last day (\$600k any time) for MFJ