

# Opportunity to get current with IRS without penalties?

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As Kim recently posted, the IRS has set up a new special voluntary disclosure program for US taxpayers who have unreported income from offshore assets. Interestingly, the IRS has indicated that, as part of the program, taxpayers may file [delinquent Report of Foreign Bank and Financial Accounts \("FBAR"\) forms](#).

FBARs are required for any US person who has a financial interest in or signature authority or other authority over any financial account in a foreign country, if the aggregate value of these accounts exceeds \$10,000 at any time during the calendar year. A "[US person](#)" is a citizen or resident of the US, a domestic partnership, a domestic corporation, and a domestic estate or trust. Note that Canadians who travel frequently to the US may be considered US residents.

The IRS has stated that it will not impose a penalty for failure to file a delinquent FBAR, so long as the taxpayer has already reported and paid tax on all their taxable income for prior years. Might this represent an opportunity for US citizens living in Canada or Canadian snowbirds to get current with the IRS and complete their filings without getting penalized? Anyone who qualifies should seek proper legal and tax advice.