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MIAMI AS BASE FOR INVESTMENTS IN THE U.S.

FEDERAL AND STATE TAX

- Individual Income Tax: Federal and State
- Corporate Income Tax: Federal and State
- Estate Tax for Non-Resident Aliens
- Structures to conduct business in the U.S.
- Structures to invest in the U.S. Financial Markets
- Tax Benefits/Credits in the U.S.





INDIVIDUAL INCOME TAX:

FEDERAL AND STATE 2017

TAXABLE INCOME		TAX			
Between:		Tax		%	On amount over:
\$0	\$9,325.00			10%	\$0
9,326	37,950	\$932.50	+	15%	9,325
37,951	91,900	5,226.25	+	25%	37,950
91,900	191,650	18,713.75	+	28%	91,900
191,651	416,700	46,643.75	+	33%	191,650
416,701	418,400	120,910.25	+	35%	416,700
418,401	121,505.25	+	39.6%	418,400

The State of Florida “DOES NOT” have individual income tax



CORPORATE INCOME TAX:

FEDERAL AND STATE 2017

TAXABLE INCOME			TAX		
Over	But not over	Tax		%	On amount over:
\$0	\$50,000.00			15%	\$0
50,001.00	75,000.00	\$7,500.00	+	25%	50,000.00
75,001.00	100,000.00	13,750.00	+	34%	75,000.00
100,001.00	335,000.00	22,250.00	+	39%	100,000.00
335,001.00	10,000,000.00	113,900.00	+	34%	335,000.00
10,000,001.00	15,000,000.00	3,400,000.00	+	35%	10,000,000.00
15,000,001.00	18,333,333.00	5,150,000.00	+	38%	15,000,000.00
18,333,334.00			35%	

State:

Florida Corporate Income Tax Rate: **5.5% Fixed.**

The first **\$50,000** of profits are exempt.

ESTATE TAX FOR NON-RESIDENT ALIENS

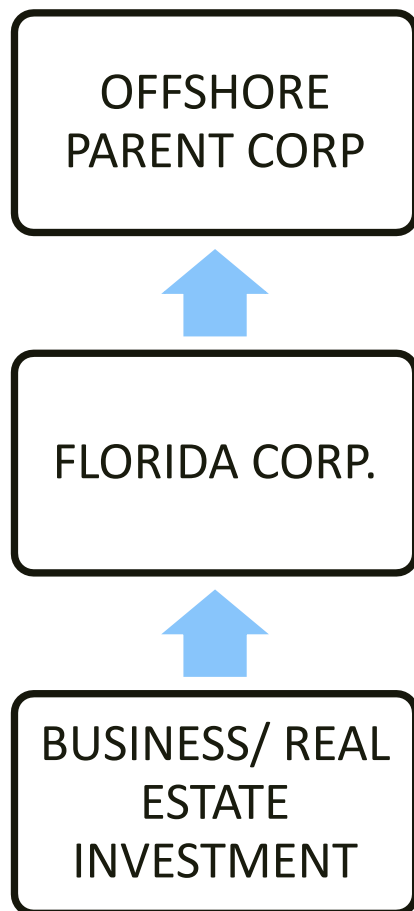


- The first **\$60,000** of the fair market value of the U.S. estate is exempt from Estate Taxes.
- After \$60,000, the tax rate ranges between **18%** and **40%** depending upon the fair market value of the U.S. situs assets.



CORPORATE STRUCTURE TO CONDUCT BUSINESS AND INVEST IN REAL ESTATE IN THE U.S.

Note that each corporate structure has its benefits and drawbacks depending upon the facts and circumstances. Before implementing any corporate structure, it is advised to consult with a CPA or Tax Advisor.



BENEFITS:

- ✓ **NO** ESTATE TAX.
- ✓ **LITIGATION EXPOSURE:** THE OWNER IS LIABLE UP TO THE EXTENT OF THE ASSETS IN THE CORPORATION

DRAWBACKS:

DOUBLE TAXATION ON DIVIDENDS. NORMALLY HIGHER CORPORATE INCOME TAXES UP TO 40%.

IMPLEMENT: NORMALLY WHEN THE OWNER WILL KEEP FOR LONG TERM AND IS CONCERNED ABOUT THE ESTATE TAX. UPON LIQUIDATION, TAXES ARE PAID AT THE **CORPORATE LEVEL**, THE FINAL DISTRIBUTION TO THE OFFSHORE PARENT IS **EXEMPT** OF INCOME TAXES.





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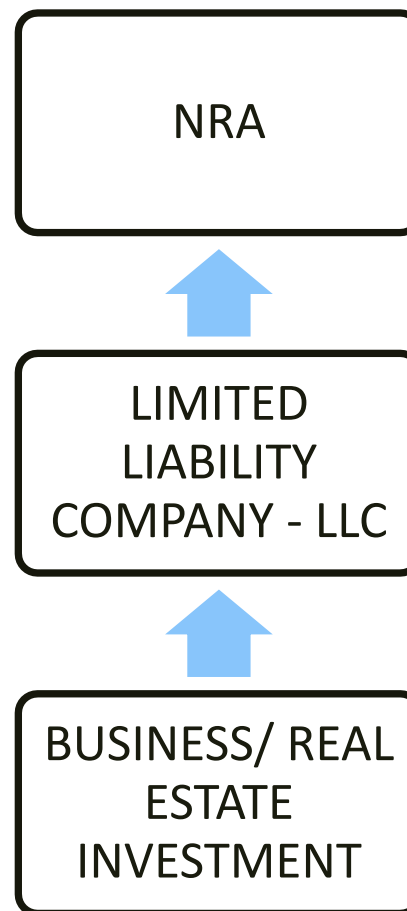
BENEFITS:

- ✓ **LITIGATION EXPOSURE:** THE EXTENT OF EXPOSURE IS **LIMITED** BY THE MEMBERS' INTEREST IN THE LLC.
- ✓ **MINIMUM** INCOME TAX EXPOSURE
- ✓ LONG TERM CAPITAL GAINS (PROPERTY HELD MORE THAN 1 YEAR) **MAX TAX RATE** OF **20%**

DRAWBACKS:

IF NRA OWNER DIES, ESTATE TAX WILL BE BETWEEN 18% TO 40% OF FAIR MARKET VALUE

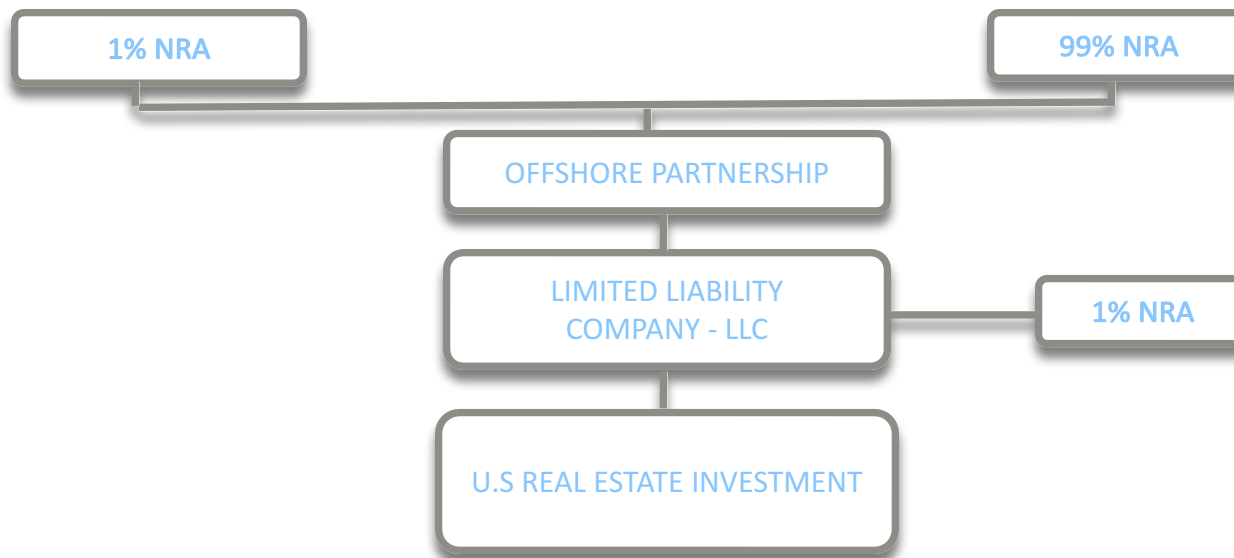
IMPLEMENT: WHEN THE MEMBER(S) WANT TO GET NET PROFITS WITH MINIMAL INCOME TAX LIABILITY AND WHEN THE EXPECTED HORIZON FOR THE LLC ACTIVITY IS RELATIVELY SHORT OR GETS LIFE INSURANCE.





CORPORATE STRUCTURE TO CONDUCT BUSINESS AND INVEST IN REAL ESTATE IN THE U.S.

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BENEFITS: IF THE REAL ESTATE PROPERTY IS SOLD AFTER A YEAR, THE **INCOME TAX RATE** IS A **MAX 20%**

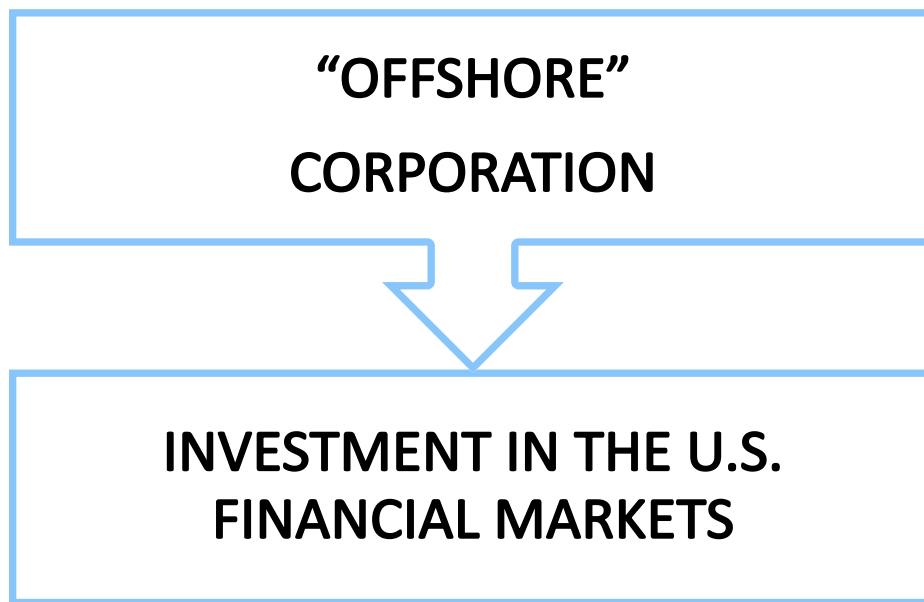
DRAWBACKS: THE IRS HAS NOT PRONOUNCED AN OPINION WHETHER THE INTEREST IN THE OFFSHORE PARTNERSHIP IS SUBJECT TO ESTATE TAX IN THE U.S. HOWEVER, THIS STRUCTURE QUALIFIES FOR LONG-TERM CAPITAL GAINS TAX.





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BENEFITS: AVOIDS ESTATE TAX THAT MAY RANGE BETWEEN 18% - 40%

DRAWBACKS: NONE

IMPLEMENT: WHENEVER A FOREIGNER WANTS TO INVEST IN THE U.S. FINANCIAL MARKETS.





SEVERAL BENEFITS FOR NON-RESIDENT INVESTORS

I. FINANCIAL MARKETS

- ✓ Appreciation in the Stock Market are not subject to U.S. taxes.

II. BUSINESSES

- ✓ Foreigners can be a 100% owner.
- ✓ All the directors may be foreigners.
- ✓ Corporations may have only one owner.
- ✓ Travel expenses related to business may be deducted for income tax purposes.

III. BANK

- ✓ Interest income is not subject to income tax

IV. PORTFOLIO LOAN

- ✓ Interest derived by NRA's from loans to U.S. corporations and/ or U.S. individuals is not subject to income tax in the U.S.

