

TAX MATTERS

RECENT NEWS ON TAX ISSUES IN THE
UNITED STATES OF AMERICA

BUREAU OF ECONOMIC ANALYSIS INVESTMENT SURVEYS - REPORTING REQUIREMENTS



The surveys below are for foreign persons owning entities in the U.S.

	SURVEY	FORM	DESCRIPTION	WHO MUST FILE
IV.	Survey of New Foreign Direct Investment in the United States	BE-13	<p>The purpose of this survey is to capture new investment transactions when a foreign direct investment relationship is created or when an existing U.S. affiliate of a foreign parent establishes a new U.S. legal entity, expands its U.S. operations, or acquires a U.S. business enterprise.</p> <p>The information in this report can be used to measure the amount of new foreign direct investment in the United States. It will also identify new U.S. affiliates that meet the reporting criteria for BEA's quarterly, annual, and benchmark surveys of foreign direct investment in the United States.</p> <p>This survey has five forms. The version of the form that must be filed is determined by the reporting criteria.</p>	<p>Initial report must be filed no later than 45 days after the date of the investment transaction.</p> <p><u>Required from entities subject to the reporting requirements of the BE-13, whether or not contacted by BEA.</u></p>
		BE-13A	<p>This form is filed for a U.S. business enterprise when a foreign entity acquires a voting interest (directly or indirectly through an existing U.S. affiliate) in the enterprise, segment, or operating unit, and the acquisition meets the following criteria:</p> <ol style="list-style-type: none"> 1) The total cost of the acquisition is more than \$3 million 2) At least 10 percent of the voting interest in the acquired enterprise is now owned, directly or indirectly, by the foreign entity. 	<u>May be Required</u>
		BE-13B	<p>This form is filed for a U.S. business enterprise when a foreign entity or an existing U.S. affiliate of a foreign entity establishes a new legal entity in the United States, and the establishment of the new entity meets the following criteria:</p> <ol style="list-style-type: none"> 1) The projected total cost to establish the new legal entity is more than \$3 million. 2) At least 10 percent of the voting interest in the newly established business enterprise is now owned, directly or indirectly, by the foreign entity. 	<u>May be Required</u>
		BE-13D	<p>This form is filed for an existing U.S. affiliate of a foreign parent when it expands its operations to include a new facility where business is conducted, and the projected total cost of the expansion is more than \$3 million.</p>	<u>May be Required</u>
		BE-13E	<p>This form is filed for a U.S. business enterprise that previously filed form BE-13B or form BE-13D, and the established or expanded entity is still under construction.</p>	<u>May be Required</u>

		BE-13 Claim for Exemption	<p>This form is filed if a U.S. business enterprise meets any the following criteria:</p> <ol style="list-style-type: none"> 1) The U.S. business enterprise was contacted by BEA but does not meet the requirements for filing any of the other forms. 2) The U.S. business enterprise, whether or not contacted by BEA, meets all requirements except the \$3 million reporting threshold for filing one of the other forms. 	May be Required
V.	Quarterly Survey of Foreign Direct Investment in the United States	BE-605	<p>The purpose of the quarterly survey of foreign direct investment in the United States is to report the positions and the transactions between a U.S. affiliate and its foreign parents and between the U.S. affiliate and the foreign affiliates of the foreign parents. A BE-605 report is required for any U.S. affiliate that was established, acquired, liquidated, sold, or became inactive during the reporting period. Quarterly reports must be filed within 30 days after the close of each of the U.S. affiliate's calendar or fiscal quarter, or within 45 days if the report is for the final quarter of the U.S. affiliate's financial reporting year.</p> <p>This form is filed for a U.S. affiliate that has total assets, annual sales or gross operating revenues, or annual net income (not just the foreign parent's share) of more than \$60 million (positive or negative).</p>	Only entities contacted directly by BEA must file.
		BE-605 Claim for Exemption	<p>This section of the BE-605 form is filed if a foreign affiliate meets the following criteria for exemption. For an initial filing, the U.S. business enterprise must also complete pages 1 through 5.</p> <ol style="list-style-type: none"> 1) The U.S. affiliate's total assets, annual sales or gross operating revenues, and annual net income (not just the foreign parent's share) are each \$60 million or less (positive or negative.) 2) The U.S. affiliate is foreign-owned indirectly through another U.S. affiliate, and it has no direct transactions with the foreign parent(s) or the foreign affiliates of the foreign parents. 	Only entities contacted directly by BEA must file. This form would be completed if contacted but the entity does not meet the reporting threshold.
VI.	Annual Survey of Foreign Direct Investment in the United States	BE-15	<p>The purpose of the annual survey of foreign direct investment in the United States is to report annual financial and operating data of U.S. affiliates.</p> <p>This survey has four forms. The version of the form that must be filed is determined by the reporting criteria.</p>	Only entities contacted directly by BEA must file.
		BE-15A	<p>This form is filed for a majority-owned (combined direct or indirect voting ownership interests (or the equivalent) of all the foreign parents of the U.S. affiliate exceed 50 percent) U.S. affiliate that has total assets, sales or gross operating revenues, or net income of more than \$300 million (positive or negative).</p>	Only entities contacted directly by BEA must file.

		BE-15B	<p>This form is filed for U.S. affiliates that meet one of the following criteria:</p> <ol style="list-style-type: none"> 1) A majority-owned U.S. affiliate that has total assets, sales or gross operating revenues, or net income of between \$120 million (positive or negative) and \$300 million (positive or negative). 2) A minority-owned (combined direct or indirect voting ownership interests (or the equivalent) of all the foreign parents of the U.S. affiliate are at least 10 percent, but not more than 50 percent) U.S. affiliate that has total assets, sales or gross operating revenues, or net income of more than \$120 million (positive or negative). 	Only entities contacted directly by BEA must file.
		BE-15C	<p>This form is filed for a U.S. affiliate that has total assets, sales or gross operating revenues, or net income of between \$40 million (positive or negative) and \$120 million (positive or negative).</p>	Only entities contacted directly by BEA must file.
		BE-15 Claim for Exemption	<p>This form is filed if a U.S. affiliate meets one of the following criteria:</p> <ol style="list-style-type: none"> 1) The foreign voting ownership interest (or the equivalent) in the U.S. affiliate is less than 10 percent. 2) The U.S. affiliate is fully consolidated or merged with the report of another U.S. affiliate. 3) The total assets, sales or gross operating revenues, and net income are all \$40 million or less (positive or negative). 	After the initial filing, this form is not required to be filed annually unless BEA contacts the U.S. affiliate that is exempt from filing.
VII.	Benchmark Survey of Foreign Direct Investment in the United States	BE-12	<p>The BE-12 survey is BEA’s most comprehensive survey of foreign direct investment in the United States. It is conducted every 5 years (in lieu of the BE-15 annual survey). The most recent benchmark survey covered the fiscal year ending in 2017.</p> <p>This survey has four forms. The version of the form that must be filed is determined by the reporting criteria.</p>	<u>A response is required from entities subject to the reporting requirements of the BE-12, whether or not they are contacted by BEA.</u>
		BE-12A	<p>This form is filed for a majority-owned U.S. affiliate that has total assets, sales or gross operating revenues, or net income of more than \$300 million (positive or negative).</p>	May be Required
		BE-12B	<p>This form is filed for U.S. affiliates that meet the following criteria:</p> <ol style="list-style-type: none"> 1) A majority-owned U.S. affiliate that has total assets, sales or gross operating revenues, or net income between \$60 million (positive or negative) and \$300 million (positive or negative). 	May be Required

			2) A minority-owned U.S. affiliate that has total assets, sales or gross operating revenues, or net income of more than \$60 million (positive or negative).	
		BE-12C	<p>This form is filed for a U.S. affiliate that has total assets, sales or gross operating revenues, or net income of \$60 million or less (positive or negative).</p> <p>Only selected data items on this form are filed for a U.S. affiliate that has total assets, sales or gross operating revenues, or net income of less than \$20 million (positive or negative)</p>	May be Required
		BE-12 Claim for Not Filing	<p>This form is filed if a U.S. affiliate meets one of the following criteria for exemption and was notified by the BEA to file:</p> <ol style="list-style-type: none"> 1) The foreign voting ownership interest (or the equivalent) in the U.S affiliate is less than 10 percent. 2) The U.S. affiliate is fully consolidated or merged with the report of another U.S. affiliate. 3) The U.S. business enterprise was liquidated or dissolved. 	May be Required

If you have any questions, please contact your Rödl & Partner representative.

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225 Peachtree Street NE
Atlanta, GA 30303, USA
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Responsible for the content:
Elisa Fay
Partner-In-Charge Rödl National Tax
elisa.fay@roedlusa.com

Layout:
Elena Allmeroth
Marketing
Elena.allmeroth@roedlusa.com

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