

## **NON-U.S. INVESTMENT IN U.S. REAL PROPERTY CONSIDERATIONS**

	REAL ESTATE INVESTMENT TAXES			GIFT & ESTATE TAXES		FILING US RETURNS	
	U.S. Net Income Tax?	Branch Tax?	Withholding Tax on Gross Income?	U.S. Gift Tax Liability?	U.S. Estate Tax Liability?	U.S. Tax Return?	Anonymity?
<b>U.S. Corp. Directly Owns the Real Estate</b>	Yes	No	Yes, 30% on dividends to Non-U.S. investor	No, if lifetime gift of stock in U.S. Corp.	Yes	Yes, U.S. Corp. files	No, U.S. tax return includes all shareholders owning 50%+
<b>Non-U.S. Corp. Directly Owns the Real Estate</b>	Yes, on effectively connected income	Yes, 30% after-tax rate on U.S. earnings and profits not reinvested in U.S.	No	No, if for business purpose and not merely tax avoidance	No, if for business purpose and not merely tax avoidance	No, unless engaged in U.S. trade/business OR sells the real estate	No, U.S. tax return includes all shareholders owning 50%+ in Non-U.S. Corp.
<b>Non-U.S. Corp. Owning U.S. Corp. That Directly Owns the Real Property</b>	Yes, on effectively connected income	No	Yes, if operating income distributed; Real estate may be sold, profit taxed, U.S. Corp. liquidated into Non-U.S. Corp., and no further U.S. tax	No, if for business purpose and not merely tax avoidance	No, if for business purpose and not merely tax avoidance	Yes, U.S. Corp. files	Yes, only Non-U.S. Corp. name on U.S. tax return but not individual shareholders