Time Running Out for U.S. Taxpayers Abroad to File Tax Return

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Expats and military service members abroad must file by June 15 or face penalties

KANSAS CITY, Mo., June 12, 2017 (GLOBE NEWSWIRE) -- The automatic two-month extension granted to many of the <u>estimated 9 million U.S. citizens living abroad</u> and military service members stationed abroad will end June 15. Although these taxpayers were required to pay any taxes owed by the April deadline, they must file their return by June 15 or face the failure-to-file penalty which can be 10 times costlier than the failure-to-pay penalty. Taxpayers who cannot collect the necessary paperwork or complete an accurate return by June 15 can avoid the failure-to-file penalty by filing an extension, which will move their deadline to October 16. The <u>Report of Foreign Bank and Financial Accounts</u>, commonly referred to as the FBAR, is also due on October 16 this year.

"The June 15 filing deadline surprises many expats who did not know they were required to file a tax return at all, especially if they did not earn income in the U.S.," said Kevin Mobley, general manager of Expat Tax Services at H&R Block. "Although they must file, they can take advantage of important tax benefits like the <u>foreign earned income</u> exclusion to minimize their tax bill."

Free extensions from H&R Block Expat Tax Services

Filing a U.S. tax return while living and working abroad can be particularly difficult. Local tax documents might not align to the U.S. tax year, requiring taxpayers to meticulously compile and create their own documentation of their income and other aspects of their financial lives.

Taxpayers in a crunch for time can <u>file an extension for free</u> using H&R Block Expat Tax Services. H&R Block Expat Tax Services is a highly specialized team of tax attorneys, CPAs, and enrolled agents whose singular focus is tax preparation and advice for Americans abroad. These experts are dedicated to specific countries and regions and their unique tax requirements.

Catching up with the IRS

Taxpayers who were unaware that they needed to file a tax return for previous years may be able to take advantage of the IRS' <u>streamlined filing compliance procedures</u> to catch up on their tax obligations and minimize penalties. U.S. expats should understand the eligibility requirements for the program and collect necessary paperwork dating back as many as six years. The IRS reports that 48,000 taxpayers have used the streamlined procedures to pay \$450 million in taxes, interest and penalties. H&R Block Expat Tax Services can also help these taxpayers get <u>back on track with prior-year tax</u> obligations.

For more information, taxpayers should visit <a href="https://

About H&R Block

H&R Block, Inc. (NYSE:HRB) is a global consumer tax services provider. <u>Tax return preparation</u> services are provided by professional tax preparers in approximately 12,000 company-owned and franchise <u>retail tax offices</u> worldwide, and through H&R Block <u>tax software products</u> for the DIY consumer. H&R Block also offers adjacent Tax Plus products and services. In fiscal 2016, H&R Block had annual revenues of over \$3 billion with 23.2 million tax returns prepared worldwide. For more information, visit the H&R Block Newsroom.

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