

APT *event*

Investment in Australia for US taxpayers

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General Advice Disclaimer

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Head of Expat Services & Senior Financial Adviser

John Versace is an experienced financial planner with extensive expertise in helping expats protect and grow their finances to reach their goals. He uses this wealth of knowledge to support Australian expats, those migrating to Australia and US citizens living on our shores.

Based in Melbourne, Victoria, John has been in the financial services industry for 15 years, 10 of those with Apt Wealth Partners, where he is a Senior Financial Adviser. He is known among expat communities for his deep knowledge of wealth building and protection in multiple jurisdictions, helping people live their best lives wherever they reside.

John holds a Bachelor of Business (Economics and Finance) from RMIT and a Graduate Diploma in Financial Services. He is also a Certified Financial Planner with the Financial Planning Association of Australia.



Apt Wealth Partners is a privately-owned and award-winning national financial planning firm with offices in Sydney, Melbourne and Geelong. Our experienced financial planners work closely with our in-house Investment Team to manage over \$2bn in funds for Australian families.

Underpinned by our investment philosophy, we've been helping Australians live their best lives for over 30 years. And while much has changed in that time, one thing remains the same – our unwavering commitment to delivering outcomes for our clients through:

- Financial planning
- Retirement planning
- Estate planning
- Superannuation and investments
- Wealth protection
- Specialist expat financial planning
- Bespoke private capital services
- Home loans and property financial planning
- Aged care financial planning
- Inheritance, divorce and redundancy financial planning

Apt Wealth Partners is a firm with a purpose, driving client results while playing a part in supporting the people and communities around us.

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Things to consider when determining the most appropriate investments:

- Your risk tolerance/stage of life
- Access to capital
- What is your purpose for investing – when and where will these goals take place
- Currency Exchange risk
- Navigating taxes – US and Australia



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Passive Foreign Investment Company Introduction

Explanation of a PFIC

What is a PFIC

- Foreign corporation to the US that holds 50% or more of their assets invested in cash or securities; or
- Having 75% or more of their gross income originating from passive sources, including but not limited to interest, dividends and rents

Typically leads to higher taxes and increased reporting obligations

The logo for Apt. Wealth Partners, featuring the word "Apt." in a serif font with a period.

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Examples of PFIC

The following assets domiciled outside the US:

- Exchange Traded Funds (ETFs)
- Stapled securities
- Listed Investment Companies (LICs)
- Managed Funds
- Real Estate Investment Trusts (REITS)

The logo for Apt. Wealth Partners, featuring the word "Apt." in a dark blue, serif font with a period at the end. A decorative teal line curves around the right side of the slide, passing behind the logo.

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How to avoid PFIC treatment when investing in Australia

Investing in the following asset classes:

- Direct stocks
- US domiciled Exchange Traded Funds (ETFs)
- Invest in the US



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Importance of managing currency exchange

What is currency exchange risk

Risk that your asset value will be impacted by an adverse movement in currency exchange rates.

- Consider your purpose for investing and where you will ultimately need the capital
- If that is in Australia then investing in US dollars will increase risk

Australian Dollar vs US Dollar over 30 years.



[AUDUSD 0.68771 ▼ -0.02% \(tradingview.com\)](https://tradingview.com)

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Property

- Australian property will be taxable on US and Australian return, however double tax treaty helps avoid double taxation
- Care needs to be taken when repaying large lump sums of Australian debt or refinancing loan, as may cause US tax issues
- Primary residence is taxable in the US
- Beware of Australian non-resident taxes on property



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Investing in different Australian structures

- Superannuation
- Family Trust
- US citizens in Australia – potential to invest in non-US spouses name?



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Our Investment Team



Sarah Gonzales
Chief Investment Officer
11 years of experience



James McGregor
Managing Director
35 years of experience



Andrew Dunbar
Director
18 years of experience



Mark Bardzinski
Director
35 years of experience



Paul Saliba
Specialist Investment
Management Consultant
30 years of experience

Supported by:



Adam Bajcarz
Senior Investment Analyst



Daniela Durpetti
National Operations
Manager



Steve Nobilo
Investment Operations
Administrator



Anthony Yang
Investment Analyst

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Our Services



Superannuation & Investments



Strategy & Structure



Retirement Planning & Redundancy



Government Entitlements & Aged Care



Direct Equities & Ethical Investing



Ongoing Portfolio Review



Cash Flow Management



Estate Planning

Provided with our portfolio of specialists:



Accounting



Wealth Protection



Legal



Lending

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THANK *You*



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