

State and Local Tax Attorneys

[John R. Austin](#)
[Margaret M. Derus](#)
[Kristina E. Somers](#)
[Don M. Millis](#)
[Jessica Hutson Polakowski](#)
[Amy L. Barnes](#)
[Katrina L. Kisiolek](#)

Tax Attorneys

[Amy E. Arndt](#)
[John R. Austin](#)
[Amy L. Barnes](#)
[Lucien A. Beaudry](#)
[Vincent J. Beres](#)
[Daniel P. Cooper](#)
[Robert E. Dallman](#)
[Jennifer R. D'Amato](#)
[Margaret M. Derus](#)
[Michael G. Goller](#)
[Anthony J. Handzlik](#)
[John A. Herbers](#)
[Gary A. Hollman](#)
[Katrina L. Kisiolek](#)
[Adam R. Konrad](#)
[Robert E. Meldman](#)
[Don M. Millis](#)
[Robert J. Misesy, Jr.](#)
[Timothy A. Nettesheim](#)
[Jessica Hutson Polakowski](#)
[Timothy P. Reardon](#)
[John L. Schliesmann](#)
[Kristina E. Somers](#)

1000 North Water Street
 P.O. Box 2965
 Milwaukee, WI 53201-2965
 414-298-1000
 800-553-6215

22 East Mifflin Street
 P.O. Box 2018
 Madison, WI 53701-2018
 608-229-2200
 800-728-6239

N16W23250 Stone Ridge Drive
 Waukesha, WI 53188
 262-951-4500
 800-928-5529

2215 Perrygreen Way
 Rockford, IL 61107
 815-633-5300
 800-840-5420

www.reinhartlaw.com

[subscribe/unsubscribe](#)

11-9-09

WISCONSIN FOREIGN BANK ACCOUNT VOLUNTARY DISCLOSURE PROGRAM OPEN UNTIL JANUARY 15, 2010

U.S. citizens must report foreign bank accounts in accordance with the rules of the Internal Revenue Service. Wisconsin law also contains disclosure requirements, which apply to reportable transaction understatements occurring on or after January 1, 2001.

Wisconsin recently announced a voluntary disclosure program for unreported income from foreign bank accounts. To take advantage of this program, taxpayers must contact the Wisconsin Department of Revenue by January 15, 2010.

Generally, taxpayers who participated in the federal voluntary disclosure program for these accounts would benefit from participation in the Wisconsin disclosure program.

All residents and other taxpayers with a Wisconsin filing requirement and unreported income from foreign accounts are eligible to participate, as long as the Wisconsin Department of Revenue has not contacted the taxpayer about the foreign account.

Wisconsin's voluntary disclosure program has the following benefits:

- The Wisconsin Department of Revenue will waive all related criminal, civil negligence, and fraud penalties. This leaves the taxpayer owing the additional tax, interest, and possibly late filing fees.
- The voluntary disclosure program conclusively settles potential and actual tax obligations in a simple manner (without having to go through an audit or resort to appeals and litigation).
- Taxpayers who voluntarily disclose need not worry about the release of information to the government regarding foreign bank accounts, such as the Swiss Bank UBS accounts, and the potential pursuit of those account holders.

NOTE: By participating in Wisconsin's voluntary disclosure program, taxpayers will be agreeing to waive any and all appeal rights regarding the disclosed foreign bank accounts (other than appeal rights relating to an adjustment to the taxpayer's federal income tax liability regarding such accounts).

To take advantage of this program, taxpayers must:

- File Form WI VCP, *Wisconsin Tax Shelters Voluntary Compliance Program Participation and Agreement*, with the Department of Revenue by January 15, 2010.
- Within 90 days after the IRS determines the taxpayer's federal liability, file amended or original Wisconsin income/franchise tax returns for tax years 2003-2008. The following must be attached to the Wisconsin amended or original returns:
 - A copy of the timely filed Form WI VCP.
 - Copies of all amended or original tax returns filed with the IRS, as well as

all paperwork given to the IRS related to the disclosure.

- A written explanation of any differences between the Wisconsin and federal returns regarding the amount of unreported foreign bank account income.

Taxpayers who choose to disclose these accounts should ensure compliance with the disclosure requirements on a going-forward basis as well.

This *Headlines in Tax Law* provides general information about tax issues. It should not be construed as legal advice or a legal opinion. Readers should seek legal counsel concerning specific factual situations confronting them.



Kristina E. Somers

1000 North Water Street
Suite 1700
Milwaukee, WI 53202
414-298-8249
ksomers@reinhardt.com