



Foreign Financial Accounts: FBAR & FATCA Reporting for Military Families

If you're serving or stationed overseas, you may still need to report **foreign financial accounts** to both the IRS and U.S. Treasury. Two separate reporting requirements apply: **Foreign Bank & Financial Accounts Report (FBAR)** and **Foreign Account Tax Compliance Act (FATCA)**. These forms are informational — not taxes — but penalties for missing them can be steep.

FBAR (Foreign Bank & Financial Accounts Report)

- **Form:** [FinCEN Form 114](#)
- **Filed with:** U.S. Treasury (not the IRS)
- **When:** Annually by April 15 (automatic extension to Oct 15)
- **Who must file:** Any U.S. person (including military members & spouses) who had **\$10,000+** combined in foreign accounts **at any point** during the year

Reportable accounts may include:

- ✓ Foreign bank accounts
- ✓ Foreign PayPal/Wise balances
- ✓ Joint or business accounts
- ✓ Investment or pension accounts
- ✓ Accounts you co-sign on or have signature authority over

🚫 **Important:** FBAR is a **reporting rule**, not a tax. However, **penalties for not filing** can be **\$10,000+ per year**.

FATCA (Foreign Account Tax Compliance Act)

- **Form:** [IRS Form 8938](#)
- **Filed with:** Your **federal tax return**
- **Who must file:**
 - **Single filers living abroad:** Foreign assets over \$200,000 (year-end) or \$300,000 (anytime)
 - **Married filing jointly abroad:** Over \$400,000 (year-end) or \$600,000 (anytime)



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Reportable foreign assets may include:

- ✓ Foreign bank or investment accounts
- ✓ Foreign pensions or retirement plans
- ✓ Certain business interests
- ✓ Foreign life insurance or annuities

Do I Owe Taxes on These Accounts?

Not necessarily — **but you still must report them.** If your accounts earn interest, dividends, or capital gains, those earnings must be reported on your U.S. tax return.

● Military-Specific Mistakes to Avoid

- ✗ Assuming your spouse doesn't have to file FBAR because they're a foreign national
- ✗ Overlooking overseas pensions or local retirement plans
- ✗ Thinking deployment or PCS status exempts you from filing
- ✗ Confusing FBAR and FATCA — both may apply

💬 Need Help Sorting It Out?

Whether you're active duty, a military spouse, or stationed overseas, we can walk you through your reporting obligations with **non-judgmental and clear support.**



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