

INTERNATIONAL OPERATION OF SHIPS AND AIRCRAFT

Like most foreign income tax treaties, those governing the international shipping and aircraft businesses are rather complex and detailed. While the treaties offer certain benefits and exemptions to US taxpayers, such exemptions may have unfavorable indirect effects. Therefore, it is critical that individuals and corporations receive advice from experienced practitioners. Marks Paneth & Shron is distinguished by the depth and breadth of our specialist resources.

Services Offered:

- Modeling of Foreign Tax Credit Versus Income Tax Return Exemptions
- Global Compensation and Benefit Planning
- Tax Planning for Foreign Corporations Engaged in International Air Service in the US, Encompassing Federal Income Tax, Federal Excise Tax on Air Transportation of Passengers and Property, and State and Local Taxes.
- Tax Planning for Foreign Shipping and Aircraft Utilization According to the "Effectively Connected Income" and "Non-Effectively Connected Income" Tests
- Gross Income Tax Computations
- Interpretation and Analysis of "Source" Income Rules on Foreign Shipping and Air
- Evaluation of Reciprocal Exclusion Status in Respect to Income Categorization
- Effect of Bilateral Income Tax Treaties on Income Tax Exemptions
- Modeling of Benefits Under Foreign Income Tax Treaties Versus Exemptions Under Code Section 883
- Modeling of Benefits Associated with Section 833 Exemptions Versus Treaty Transportation Articles
- Impact on Final Code Regulations on Code Section 883 Exemption Status
- Treatment of Incidental Activities Under Code Regulations