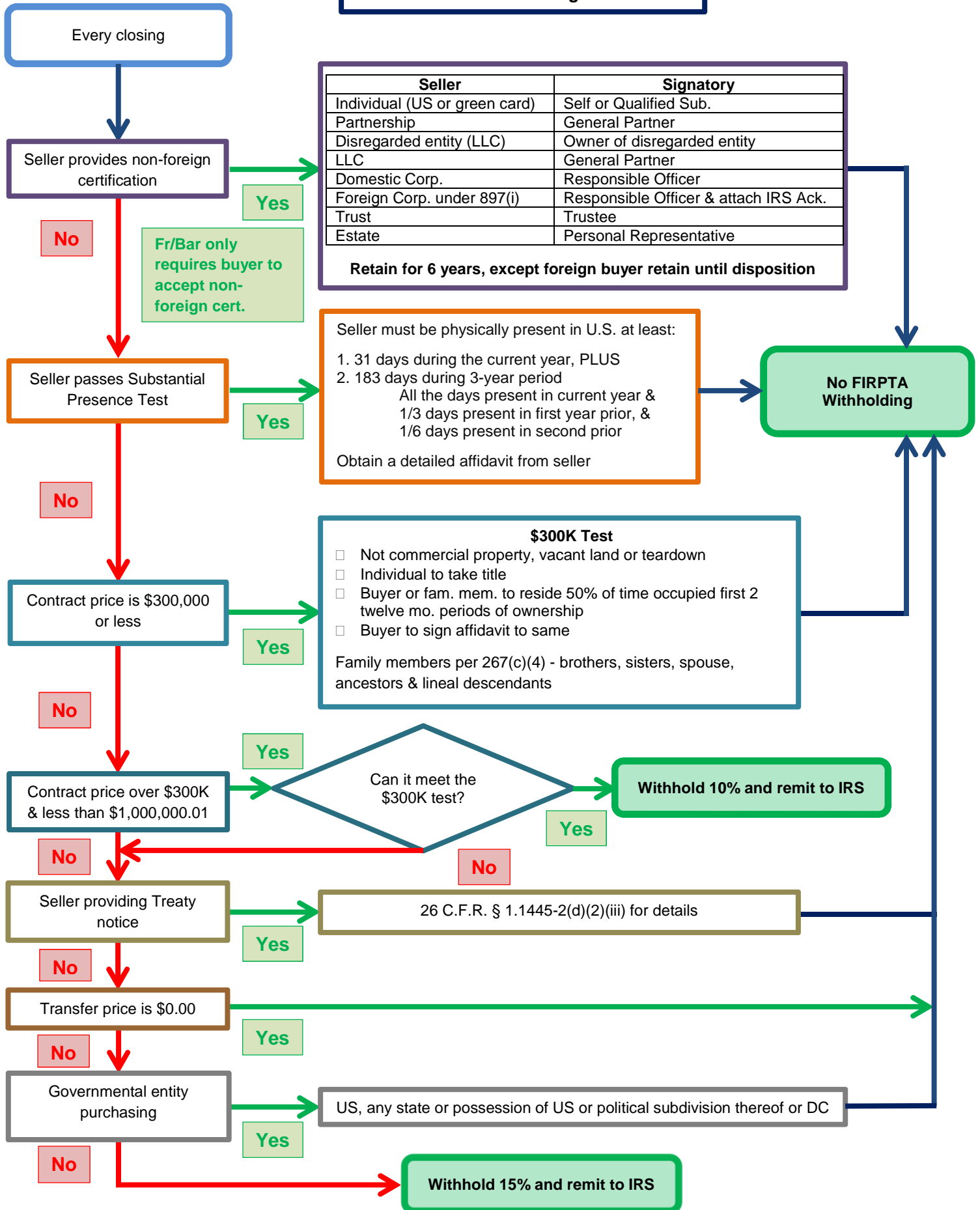


FIRPTA – Closing Aid



Note: chart is intended as a work aid & basic guidance for basic real estate transaction & not a substitute for legal analysis of a specific transaction

Non-Foreign Certification

- Seller's name, home (or office address if entity), US identification number (SSN or EIN)
- Signed under penalty of perjury
- Keep for 6 years (five tax years after tax year of acquisition; foreign buyer to keep until disposition of property)
- May rely upon this certification unless you receive written notice from others or have direct information to the contrary – no need to verify

Tres. Reg. Sec. 1.1445-2

Substantial Presence Test - Days of Presence in the United States

You are treated as present in the U.S. on any day you are physically present in the country, at any time during the day.

Do not count the following as days of presence in the U.S. for the substantial presence test.

- Days you commute to work in the U.S. from a residence in Canada or Mexico, if you regularly commute from Canada or Mexico.
- Days you are in the U.S. for less than 24 hours, when you are in transit between two places outside the United States.
- Days you are in the U.S. as a crew member of a foreign vessel.
- Days you are unable to leave the U.S. because of a medical condition that develops while you are in the United States.
- Days you are an exempt individual (see below).

For details on days excluded from the substantial presence test for other than exempt individuals, refer to Publication 519, U.S. Tax Guide for Aliens.

The term United States (U.S.) includes the following areas.

- All 50 states and the District of Columbia.
- The territorial waters of the United States.
- The seabed and subsoil of those submarine areas that are adjacent to U.S. territorial waters and over which the United States has exclusive rights under international law to explore and exploit natural resources.

The term does not include U.S. possessions and territories or U.S. airspace.

\$300K Test

- Must take title in persons name
- May not take in the name of a trustee, company, LLC or other
- No commercial property
- No vacant land
- No property to be torn down
- Buyer or member of his/her family to reside at least 50% of time it is actually occupied – do not count vacant days. Renter or others may occupy but MUST be less days than owner's including family occupancy days – for the first two 12-month periods. Failure to comply may result in IRS collecting 15% plus penalties and interest from Buyer/Owner
- Buyer/owner to sign affidavit to same
- Family member = bothers & sisters half included; spouse, ancestors & lineal descendants