MRA Advisory Group

THE 2026 EDITION

The Essential Financial Guide for Americans Living in Europe

A comprehensive, connected framework for navigating two financial systems across taxes, investments, retirement, banking, property and family wealth.

TAX	>	INVEST	>	RETIRE	>	LEGACY
Two filing systems		Cross-border access		Benefits and pensions		Family protection

Every financial decision is connected.

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Educational planning resource. Not individualized investment, tax or legal advice. Country-specific professional review is essential.

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Contents & how to use this guide

Modeled on the structure and depth of MRA's original guide for Americans in Brazil, this European edition uses a consistent framework: what changes, how the United States views it, how the host country may view it, where risks arise, potential paths and questions to bring to a professional.

Part	Topics
I. Foundations	1. Cross-border household map; 2. Tax residency; 3. Compliance calendar
II. Income and investments	4. Earned income; 5. U.S. portfolios; 6. European funds and PFICs; 7. Real estate; 8. Companies and entities
III. Retirement and protection	9. Retirement accounts; 10. Social Security and public pensions; 11. Healthcare
IV. Wealth and family	12. Currency and banking; 13. Estate and succession; 14. Family and education
V. Getting back on track	15. Missed filings; 16. Four planning case studies; 17. Red flags; 18. Annual action plan; Glossary and sources

Reading guide

Blue identifies U.S.-federal concepts and filings. Gold emphasizes host-country considerations and decision points. European rules are not uniform: the United Kingdom, EU member states, Switzerland and other European jurisdictions may treat the same account differently.

About examples and charts

All flow diagrams and case studies are conceptual and illustrative; they are not modeled returns, tax calculations or promises of outcomes. Check current law and country-specific rules before relying on any threshold or deadline.

Important scope limitation

MRA can coordinate investment and planning discussions with qualified local tax and legal professionals. U.S. SEC registration alone does not authorize regulated investment services in every European jurisdiction.

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01 | One household, two systems

The organizing principle: residence, citizenship, account location and spending currency are distinct facts.

What changes after a move

Your family may live, work and spend in Europe while retaining U.S. citizenship, retirement accounts, brokerage accounts and family ties. Each connection may create a different legal or tax result.

How the United States sees it

U.S. citizens generally remain subject to U.S. federal income tax on worldwide income and may have information-return obligations even when no U.S. tax is due.

How the host country may see it

Many European countries tax residents on worldwide income, but residence tests, split-year rules, registration duties and special regimes vary significantly.

The cross-border view

U.S. lens	European / host-country lens
Citizenship, federal returns, account reporting, estate/gift considerations.	Tax residence, local income and wealth taxes, pensions, inheritance rules and reporting.
U.S. tax status can continue after relocation.	Local status may start before a permanent move feels complete.

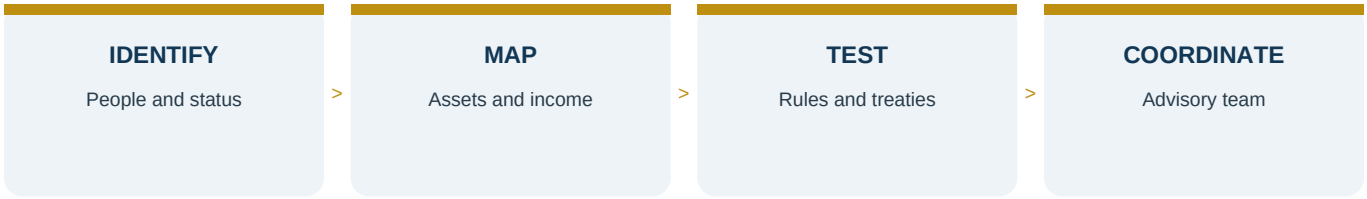
Possible paths

Build a unified inventory of people, jurisdictions, account types, income sources, deadlines and spending currencies before evaluating any product or transaction.

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01 | One household, two systems | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

- Assuming a U.S. tax filing replaces a local return.
- Treating all European countries as one tax system.

Bring to your advisory conversation

- Residency start date and intended length of stay.
- Full account and income inventory; passports and family status.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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02 | Tax residency and treaties

Residence drives the local starting point; treaty provisions may change particular results.

U.S. citizenship-based taxation

Most U.S. citizens must assess federal filing obligations regardless of where they live. State domicile may also remain relevant and should be reviewed separately.

Host-country residence

Days of presence are often important but not necessarily decisive; permanent home, family, work and center-of-vital-interests tests can matter.

Treaty coordination

Treaties may allocate taxing rights or reduce withholding on certain items, but saving clauses frequently preserve U.S. taxation of citizens. Treaty benefits and disclosures require careful analysis.

The cross-border view

U.S. lens	European / host-country lens
Worldwide income; foreign tax credit, foreign earned income exclusion and treaty disclosures.	Residence tests, local rates, income classifications, wealth taxes and treaty tie-breakers.
The foreign earned income exclusion generally concerns qualifying earned income.	Local taxation may apply to investment income and pensions despite U.S. exclusions.

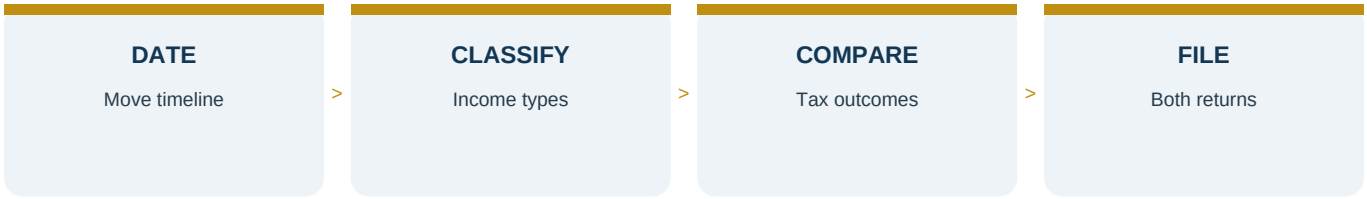
Possible paths

Document move dates, homes, employment, family location and treaty residence; test foreign tax credit and exclusion strategies with a specialist.

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02 | Tax residency and treaties | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

- Applying the FEIE to pensions or dividends.
- Claiming a treaty benefit without examining the saving clause.

Bring to your advisory conversation

- Travel-day log and housing agreements.
- Prior U.S. returns and host-country assessments.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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03 | The integrated compliance calendar

The reporting calendar is a system, not a single annual tax deadline.

Federal income tax return

U.S. citizens abroad may qualify for an automatic filing extension, but interest on unpaid tax may run from the regular payment due date. Extension details should be verified annually.

Foreign financial account reporting

FBAR (FinCEN Form 114) generally uses a $10,000 aggregate maximum-value test for foreign financial accounts; Form 8938 has different thresholds and definitions.

Additional disclosures

Foreign entities, trusts, gifts, pension structures and foreign funds can trigger Forms 5471, 8865, 3520/3520-A, 8621 or other returns depending on facts.

The cross-border view

U.S. lens	European / host-country lens
IRS Form 1040, FinCEN FBAR, Form 8938 and potentially specialized information returns.	Local tax returns, foreign asset schedules, wealth tax, property tax and social contribution filings vary.
U.S. and local deadlines can be different.	Exchange of account information does not replace taxpayer reporting.

Possible paths

Create a document collection system and calendar for U.S. federal, any applicable state, host-country and financial institution requirements.

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03 | The integrated compliance calendar | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Assuming FBAR and Form 8938 are interchangeable.

• Missing a pension account because it is not called a bank account.

Bring to your advisory conversation

• Year-end and maximum account values.

• Ownership charts and prior information returns.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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04 | Earned income and self-employment

Employment structure affects tax, social contributions and investment decisions.

Salary and bonuses

The country where work is physically performed may tax compensation, subject to treaty and local rules. Deferred bonuses and equity compensation can span multiple countries.

Foreign earned income exclusion versus credits

FEIE qualification depends on a tax-home requirement and applicable residence or physical-presence tests. A foreign tax credit may be preferable in some circumstances; coordination is individualized.

Self-employment and social security

Self-employed workers may face distinct U.S. and local social insurance obligations. Applicable totalization agreements can sometimes prevent double contributions.

The cross-border view

U.S. lens	European / host-country lens
Wages, self-employment, foreign tax credits, FEIE and equity compensation reporting.	Local payroll withholding, social insurance, labor law and employment registrations.
U.S. Social Security coverage is a separate issue from income tax.	Host-country contributions and employer obligations may apply.

Possible paths

Analyze employer payroll, social coverage certificates, equity award vesting, stock-option exercise and the tax effect of a return move.

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04 | Earned income and self-employment | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Remote work across borders without payroll review.

• Assuming FEIE eliminates self-employment tax.

Bring to your advisory conversation

• Employment contract and travel log.

• Payslips, equity grants and social insurance certificates.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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05 | U.S. investments held from Europe

Account access, fund availability and tax character can change after relocation.

Brokerage access

Some U.S. custodians restrict opening accounts or certain trades for nonresident clients. Brokerage availability must be verified before a move or account transfer.

European retail fund distribution

PRIIPs-related key-information-document requirements can limit retail access to certain U.S.-domiciled ETFs, even where ownership of an existing position remains possible.

Tax and withholding

Capital gains, dividends and interest may be taxed differently in the host country. U.S. and local basis and currency conversion rules may diverge.

The cross-border view

U.S. lens	European / host-country lens
Capital gains and dividends generally enter the U.S. tax analysis; account-specific reporting applies.	Host-country capital gains, wealth taxes, transaction taxes and product distribution rules vary.
U.S. fund domicile does not automatically mean European retail availability.	Local classification of U.S. funds and accounts may differ from U.S. classification.

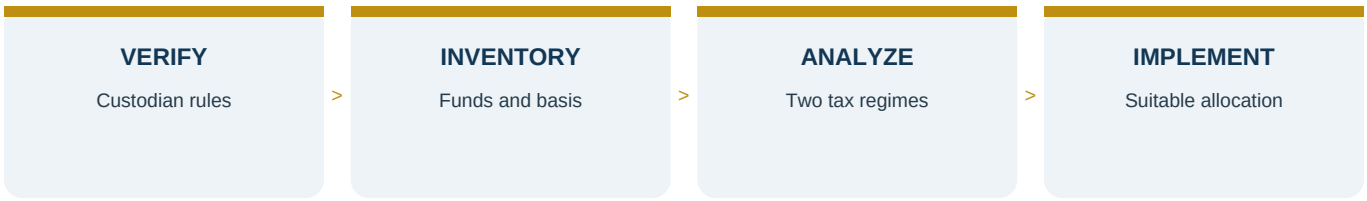
Possible paths

Review custodian residency policies, eligible instruments, taxable gains, liquidity and a documented cross-border investment policy.

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05 | U.S. investments held from Europe | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Losing trading access unexpectedly.

• Rebalancing without modeling local capital gains taxes.

Bring to your advisory conversation

• Custodian policies and current holdings.

• Tax-lot records and investment policy.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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06 | European funds and PFIC exposure

A locally ordinary fund can be unusually complex for a U.S. taxpayer.

What is a PFIC?

Many non-U.S.-domiciled mutual funds and ETFs may be passive foreign investment companies under U.S. rules, depending on their underlying income and assets.

Why it matters

PFIC holdings can trigger Form 8621 and potentially adverse tax and interest-charge regimes. Elections may exist but depend on the fund and taxpayer circumstances.

Pensions and wrappers

Holding an investment through a pension or insurance wrapper does not, by itself, establish that U.S. PFIC rules are inapplicable. Account and treaty analysis is essential.

The cross-border view

U.S. lens	European / host-country lens
PFIC classification, Form 8621, elections and potential special tax regimes.	Local investment wrappers may offer benefits or tax deferral that do not translate to U.S. treatment.
U.S. treatment depends on legal and economic characteristics.	Host-country marketing labels do not determine U.S. tax status.

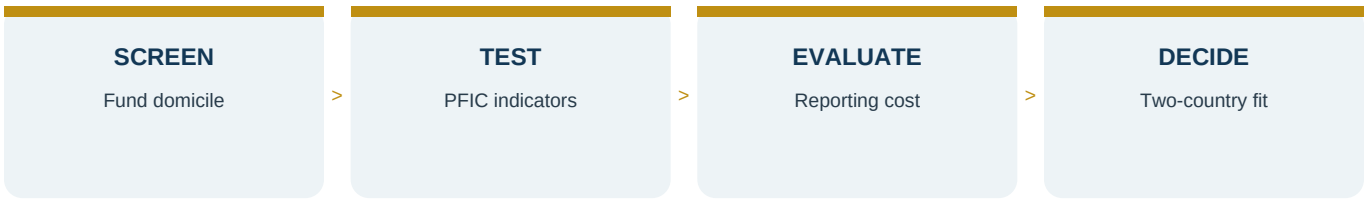
Possible paths

Perform U.S. tax classification before purchasing non-U.S. pooled products, and obtain local tax advice before replacing holdings.

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06 | European funds and PFIC exposure | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Buying a local ETF based solely on its low expense ratio.

• Assuming a tax-advantaged local account is tax-advantaged in the U.S.

Bring to your advisory conversation

• ISIN, prospectus, fund domicile and account documents.

• Prior Forms 8621 and acquisition dates.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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07 | Real estate across borders

A home, rental or vacation property can create tax, currency and succession issues.

Buying and owning

European acquisition costs, property transfer taxes, annual taxes and financing norms differ by jurisdiction. Mortgage eligibility and ownership structures require local review.

Rental income

Rental income and expenses may need reporting in both countries. Depreciation, exchange rates, expense deductibility and foreign tax credit categories can differ.

Sale and exit

Principal-residence exclusions and local home-sale relief are not identical. U.S. dollar gain may differ from local-currency gain due to exchange-rate movements.

The cross-border view

U.S. lens	European / host-country lens
Worldwide rental income and gains; U.S. depreciation and basis rules.	Local acquisition tax, property tax, rental taxation and capital gains rules.
Foreign exchange can change U.S.-dollar tax results.	Local inheritance and real estate transfer taxes may apply.

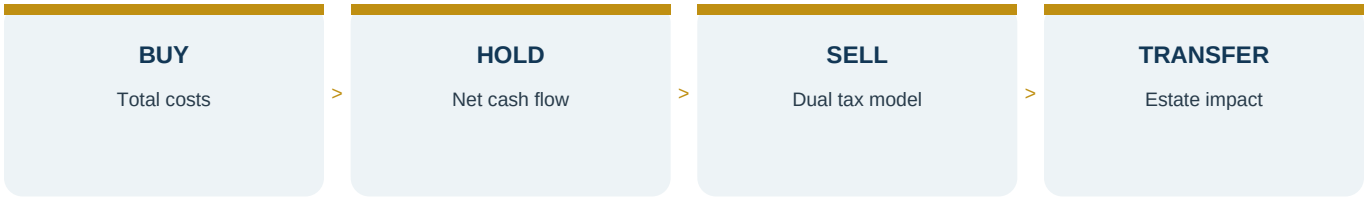
Possible paths

Maintain purchase, improvement, loan, rental and tax records in both currencies and model sale proceeds before signing a contract.

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07 | Real estate across borders | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

- Counting gross rent as spendable income.
- Ignoring currency effects on U.S. taxable gains.

Bring to your advisory conversation

- Purchase documents, improvements and debt terms.
- Rental statements and estimated selling costs.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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08 | Companies, partnerships and foreign entities

Entity choices can create disproportionate reporting and tax costs.

Foreign companies

A local limited company can have U.S. classification and information-reporting consequences. Controlled foreign corporation and GILTI-related issues may arise depending on ownership and elections.

Partnerships and trusts

Foreign partnerships, trusts and certain ownership arrangements can require complex reporting and specialized tax analysis.

Operating substance

Local payroll, permanent establishment, VAT and corporate residence rules may apply independently of the U.S. treatment.

The cross-border view

U.S. lens	European / host-country lens
Potential Forms 5471, 8865, 8858, 3520 and other filings depending on structure.	Corporate income tax, VAT, payroll, beneficial-owner registers and local entity compliance.
An entity may be disregarded for one U.S. purpose but separate locally.	Dividends and salary can face different tax treatment.

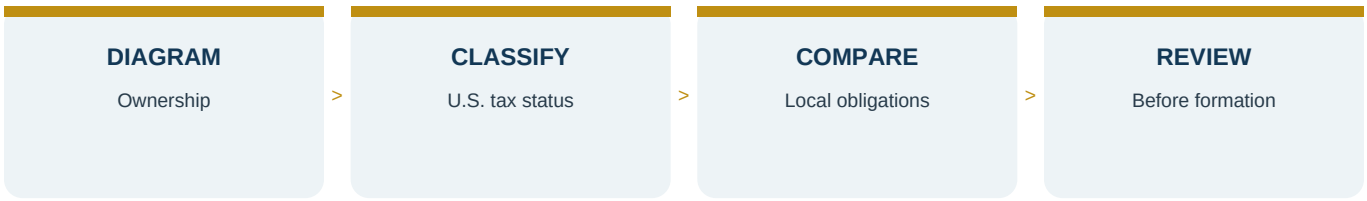
Possible paths

Obtain entity classification and tax modeling before incorporation, equity restructuring, distributions or liquidation.

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08 | Companies, partnerships and foreign entities | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

- Forming an entity only for local convenience.
- Mixing company and personal funds.

Bring to your advisory conversation

- Formation documents and ownership percentages.
- Financial statements, contracts and payroll records.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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09 | Retirement accounts and cross-border withdrawals

U.S. IRAs, 401(k)s and European pensions are not necessarily treated symmetrically.

Traditional and Roth accounts

U.S. tax treatment of traditional and Roth accounts does not ensure the host country recognizes the same deferral or Roth exemption. Treaty provisions can be decisive.

Withdrawals and withholding

Distributions may create U.S. and host-country tax obligations. The applicable tax treatment depends on account type, age, treaty, residence and any basis.

Inherited accounts

U.S. inherited IRA distribution schedules can differ by beneficiary type and owner death date; host-country taxation and inheritance classification require separate review.

The cross-border view

U.S. lens	European / host-country lens
IRA/401(k) distributions, RMDs, Roth rules, beneficiary requirements.	Local pension classification, distribution taxation, possible wealth/inheritance consequences.
Tax deferral under U.S. law may not be mirrored abroad.	Treaty pension articles differ by country and account.

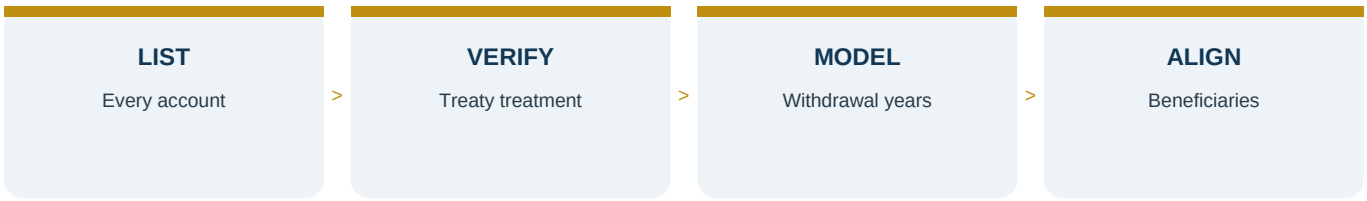
Possible paths

Model pre- and post-move contributions, Roth conversions, required distributions, beneficiary designations and after-tax spending.

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09 | Retirement accounts and cross-border withdrawals | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

- Roth conversion shortly after a move without local review.
- Treating an inherited IRA as automatically exempt from local tax.

Bring to your advisory conversation

- Statements, contribution basis and account history.
- Beneficiary details and projected retirement cash flow.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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10 | Social Security and European public pensions

Eligibility, coordination and tax treatment require separate analysis.

U.S. benefits abroad

Eligible U.S. citizens can often receive Social Security abroad, subject to program and country rules. Eligibility and continued-payment rules should be verified with SSA.

Totalization agreements

U.S. agreements with numerous European countries can help coordinate social insurance coverage and benefit eligibility. Each agreement has its own provisions.

Medicare is different

Original Medicare generally provides very limited coverage outside the United States; paying premiums does not make it a substitute for local health insurance.

The cross-border view

U.S. lens	European / host-country lens
SSA retirement, disability and survivor benefits; U.S. federal taxation rules.	Local state pension eligibility, contribution credits and treaty-specific income tax treatment.
Totalization agreements coordinate social insurance, not all income taxes.	Local healthcare eligibility can be separate from pension eligibility.

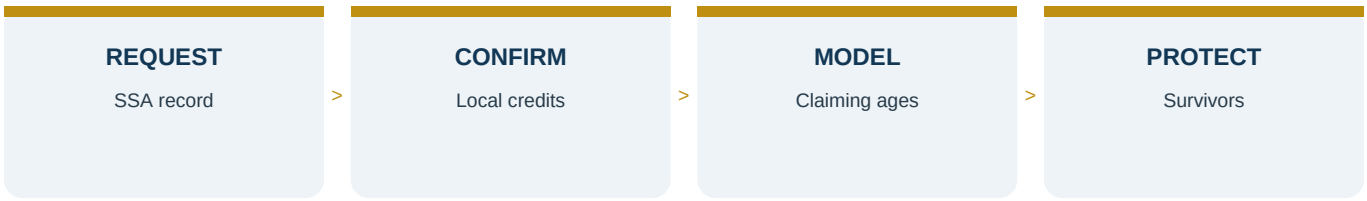
Possible paths

Collect earnings records, confirm applicable agreements, model claiming ages and examine survivor benefits and tax treatment.

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10 | Social Security and European public pensions | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Assuming a U.S. pension automatically offsets local pension.

• Assuming Medicare covers routine care in Europe.

Bring to your advisory conversation

• SSA statement and local pension forecast.

• Employment history and dependent details.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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11 | Healthcare, disability and insurance

Protection planning is about eligibility, exclusions and continuity of care.

Host-country coverage

Public healthcare access may depend on residence, employment, contribution history or immigration status. Private insurance can supplement or bridge gaps.

Medicare and U.S. coverage

Medicare generally has limited coverage abroad. U.S. policies may exclude routine care overseas; portability and return-to-U.S. transitions require review.

Other insurance

Disability, life, umbrella and long-term care insurance may contain territorial exclusions or restrictions on beneficiaries and claim payments.

The cross-border view

U.S. lens	European / host-country lens
Medicare enrollment choices, U.S. insurance policies and beneficiary designations.	Local public enrollment, private health policies and disability benefits.
U.S. policy terms may restrict overseas claims.	Local eligibility may depend on work or residence status.

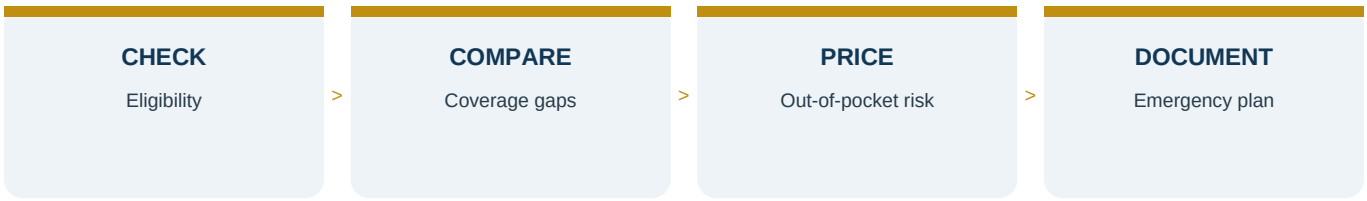
Possible paths

Build a coverage matrix for Europe, U.S. travel and permanent return; verify insurers, waiting periods, provider networks and exclusions.

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11 | Healthcare, disability and insurance | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

- Allowing U.S. coverage to lapse without return planning.
- Ignoring preexisting-condition or geographic exclusions.

Bring to your advisory conversation

- Insurance contracts and medication needs.
- Emergency contacts and care locations.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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12 | Currency, banking and transfers

Currency is a household liability-management issue, not merely a market forecast.

Different currency balance sheets

A household earning dollars but spending euros or pounds faces a currency mismatch. Local-currency income and dollar liabilities create the reverse exposure.

Banking continuity

Banks and brokerages may request tax residence certifications and may restrict account services. Deposit protection systems differ by country and institution.

Transfers and reporting

FX spreads, transfer costs and payment timing matter. Moving cash is not always itself taxable, but underlying transactions and foreign-account reporting can be.

The cross-border view

U.S. lens	European / host-country lens
Foreign-account disclosures and U.S. reporting of underlying income or gains.	Local banking compliance, foreign account reporting and possible transfer documentation.
USD accounting may create gains different from local-currency accounting.	Local deposit protection differs from U.S. FDIC insurance.

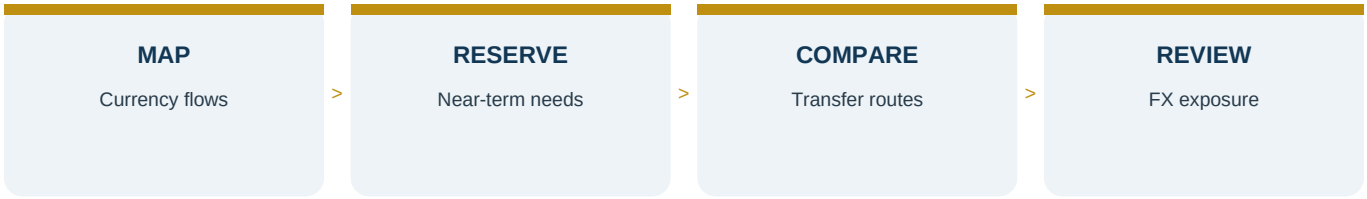
Possible paths

Match near-term spending reserves to expense currencies, maintain redundant payment channels and document large transfers.

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12 | Currency, banking and transfers | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Keeping all emergency savings in the wrong currency.

• Comparing transfers using headline fees alone.

Bring to your advisory conversation

• 12-month expense budget by currency.

• Bank statements, transfer records and emergency liquidity needs.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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13 | Estate, inheritance and succession

Beneficiary designations, wills and cross-border law must work together.

U.S. estate and gift considerations

U.S. citizenship and domicile can affect federal estate and gift tax treatment. Asset location and beneficiary citizenship may matter; state laws can also apply.

European succession law

Many jurisdictions have forced-heirship or reserved-share rules. The EU Succession Regulation and national rules may affect governing law, with important exceptions and country differences.

Beneficiaries and probate

A U.S. beneficiary designation may not settle every local inheritance issue. Multiple wills and property titles require careful coordination to avoid revocation conflicts.

The cross-border view

U.S. lens	European / host-country lens
U.S. estate/gift rules, beneficiary accounts and U.S. trust treatment.	Local succession, matrimonial property and inheritance/gift taxes.
U.S. tax domicile and civil-law habitual residence are different concepts.	An election of law may not eliminate local inheritance taxes.

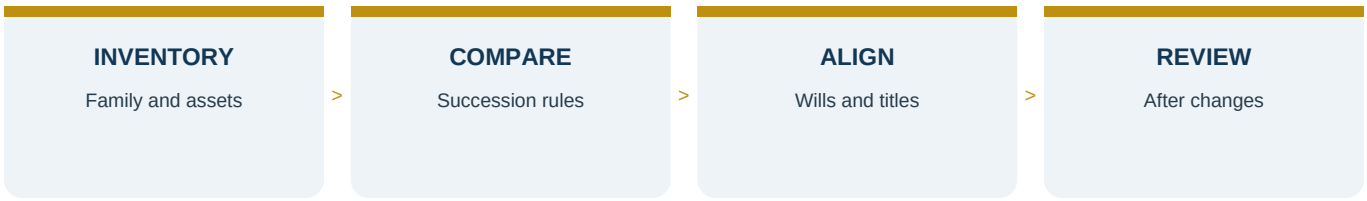
Possible paths

Review domicile, marital property, children, account beneficiaries, trusts, real estate titles and local inheritance taxes with qualified counsel.

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13 | Estate, inheritance and succession | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• U.S. will assumed to control all European assets.

• Beneficiary designation inconsistent with estate plan.

Bring to your advisory conversation

• Wills, trusts and property deeds.

• Citizenship, marital agreements and beneficiaries.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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14 | Family, education and return planning

Major life events reveal weaknesses in cross-border coordination.

Children and education

U.S. citizenship, education accounts and host-country tax treatment of 529 plans can create complexity. Local schooling and tuition currency should be included in cash-flow planning.

Marriage and family changes

Mixed-citizenship marriages, gifts and family-owned assets may have distinct U.S. and host-country tax consequences.

Returning to the United States

Departure taxes, deemed disposals, pension transfers, basis differences and account access can matter when leaving Europe.

The cross-border view

U.S. lens	European / host-country lens
Citizenship, U.S. family reporting, education accounts and gifts.	Local family tax, education costs, residence exit rules and inheritance law.
U.S. 529 tax advantages may not be mirrored abroad.	A departure can trigger local reporting or taxation.

Possible paths

Build a five-year transition plan around family milestones, anticipated relocations, asset sales and currency requirements.

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14 | Family, education and return planning | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Funding a local investment for a child without U.S. review.

• Selling a home after departure without checking residency timing.

Bring to your advisory conversation

• Family citizenship and schooling plans.

• Anticipated move dates and major transactions.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

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15 | When a filing or election was missed

Correcting history requires diagnosis before submission.

Identify the omission

Missing returns, FBARs, PFIC forms or entity disclosures may require different correction procedures and can have materially different consequences.

Avoid automatic assumptions

Not every late form qualifies for the same relief procedure. Eligibility for IRS streamlined procedures or other relief depends on facts, including conduct and prior filings.

Coordinate countries

A U.S. correction can affect local tax, basis, reporting and audit positions. Information sharing and documentation should be assessed.

The cross-border view

U.S. lens	European / host-country lens
Potential amended returns, delinquent information returns and specialized IRS procedures.	Local voluntary disclosure, amended returns and statute-of-limitations rules.
Correction pathways are fact-dependent.	An amended U.S. return may not resolve a local omission.

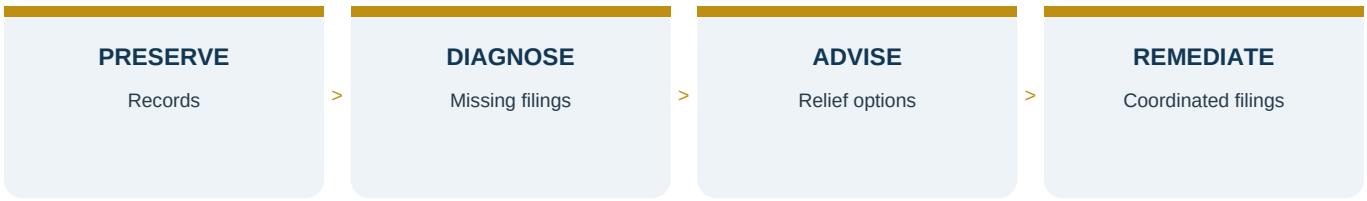
Possible paths

Collect historical records, determine exact obligations, evaluate professional options and document corrective action.

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15 | When a filing or election was missed | Planning map

Use this worksheet-style framework to connect technical rules to decisions and next steps.



Conceptual diagram; not a statement of tax or legal outcomes.

Where problems tend to appear

• Submitting incomplete late forms without analysis.

• Assuming there is no issue because no income tax was due.

Bring to your advisory conversation

• Prior returns and account statements.

• Notices, filing history and entity ownership records.

MRA PLANNING NOTE: Coordinate U.S. and local professional advice before implementing transactions. The treatment can change with residence, citizenship, treaty provisions, asset type and timing.

16 | Four hypothetical diagnostics

These fictional case studies illustrate how connected decisions affect more than one planning area. They are not advice or forecasts.

A. U.S. professional relocating to France

Situation: U.S. salary, employer stock and a brokerage account remain in place.

Connected planning questions: Coordinate payroll, workdays, treaty residence, stock award sourcing, custodian access and tax credit planning.

B. Retirees living in Portugal

Situation: U.S. Social Security, traditional IRA and Roth IRA support euro spending.

Connected planning questions: Analyze treaty treatment by benefit and account, withdrawal timing, healthcare, EUR cash reserves and beneficiary designations.

C. Family purchasing a home in Spain

Situation: The household keeps a U.S. rental property and buys a local residence.

Connected planning questions: Model local purchase taxes, U.S. and local rental returns, foreign exchange, wealth exposure and succession.

D. Entrepreneur in Germany

Situation: A U.S. citizen forms a local company and buys European index funds.

Connected planning questions: Review foreign corporation reporting, PFIC exposure, social contributions, payroll and exit planning.

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17 | Cross-border red-flag checklist

A “yes” does not establish a violation; it identifies a topic for professional review.

- ■ I became tax resident in Europe without reviewing my U.S. state domicile.
- ■ I own a European mutual fund or ETF without a PFIC assessment.
- ■ I have a foreign pension and do not know its U.S. reporting treatment.
- ■ I am relying on Roth tax-free treatment without checking local rules.
- ■ I have foreign financial accounts but have not assessed FBAR and Form 8938.
- ■ I have an overseas company, partnership, trust or signing authority.
- ■ I own property in two countries but lack dual-currency cost-basis records.
- ■ My U.S. brokerage firm has not confirmed it can service my European residence.
- ■ I assume Medicare will cover ordinary healthcare abroad.
- ■ I have an inherited IRA or estate transfer without cross-border tax review.
- ■ My will, property titles and beneficiary forms were not reviewed after moving.
- ■ I have not modeled the tax implications of moving back to the U.S.

Priority: address items involving upcoming transactions, filing deadlines, account restrictions or inheritance events first.

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18 | Your annual cross-border action plan

A practical rhythm for households managing obligations on both sides of the Atlantic.

When	Actions
Quarter 1	Gather year-end statements, pension records, foreign account maximum values, wage records and exchange rates.
Quarter 2	Coordinate U.S. federal and host-country filing, extensions, estimated payments and disclosures.
Quarter 3	Review portfolio access, rebalancing, pension projections, cash reserve currency and insurance.
Quarter 4	Evaluate charitable giving, gains/losses, retirement distributions, residence changes and estate updates.
At major events	Before a home purchase, entity formation, Roth conversion, pension withdrawal, marriage, inheritance or relocation, seek coordinated advice.

Your advisory team

Responsibility	Lead professional
U.S. federal tax and reporting	U.S. cross-border CPA / tax attorney
Host-country tax and compliance	Qualified local tax adviser
Investments and cash-flow planning	Appropriately authorized investment adviser
Wills, inheritance and property law	Qualified counsel in relevant jurisdictions
Insurance and public benefits	Licensed local specialist / agency

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Glossary

FBAR

FinCEN Report of Foreign Bank and Financial Accounts; distinct from the federal income tax return.

FATCA

U.S. regime involving foreign financial account disclosure and institution reporting.

Form 8938

Statement of Specified Foreign Financial Assets, where applicable.

PFIC

Passive foreign investment company; many non-U.S. funds require special U.S. analysis.

PRIIPs

European retail packaged-investment disclosure regime that can affect fund access.

FEIE

Foreign earned income exclusion for qualifying earned income; not a blanket exemption.

FTC

Foreign tax credit, subject to limitations and income category rules.

Totalization agreement

Bilateral social security coordination agreement; distinct from an income tax treaty.

RMD

Required minimum distribution under U.S. retirement-account rules.

Habitual residence

Civil-law succession concept that may differ from U.S. tax domicile.

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Sources and important information

Primary authorities for verification

• IRS — U.S. citizens and resident aliens abroad: irs.gov/individuals/international-taxpayers

• IRS — Publication 54, Tax Guide for U.S. Citizens and Resident Aliens Abroad: irs.gov/publications/p54

• IRS — Publication 590-B, Distributions from Individual Retirement Arrangements: irs.gov/publications/p590b

• IRS — Foreign tax credit, PFIC and international information returns: irs.gov

• FinCEN — FBAR reporting: fincen.gov/report-foreign-bank-and-financial-accounts

• U.S. Social Security Administration — International Programs and totalization agreements: ssa.gov/international

• European Commission — Succession and PRIIPs regulatory information: europa.eu

• Relevant host-country tax authority, pension agency, financial regulator and qualified local counsel.

Limitations

This guide is a general educational overview, not a statement that any specific treaty, tax rate, reporting threshold, exemption or planning strategy applies to an individual. Rules differ among European jurisdictions and change over time. Illustrative diagrams are decision frameworks rather than quantitative empirical charts. Verify current statutes, treaty language, regulatory permissions and filing instructions with appropriate professionals.

Investment and advisory disclosure

Investment involves risk, including possible loss of principal and currency losses. No strategy guarantees outcomes. MRA Advisory Group does not provide country-specific legal or tax advice through this publication. Any investment advisory services to residents of European jurisdictions are subject to applicable registration, licensing, solicitation and cross-border rules.

Every financial decision is connected.

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