

## How Can a Non-Citizen Protect U.S. Assets? Estate and Gift Tax Exemption Limits

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### A test worth millions

Currently, U.S. citizens enjoy a \$5 million [exemption from both estate and gift taxes](#) (at least in 2011 and 2012). But many [non-citizens are limited to an estate and gift tax exemption](#) of only \$60,000. The key question is where the non-citizen considers home or “domicile” to be.

### Determining your home country

If a non-citizen does not consider the U.S. to be his home country, he can only claim a \$60,000 lifetime estate and gift tax exemption. To [determine where a non-citizen’s home is located](#) for estate and gift tax purposes, the IRS uses a “facts and circumstances” test. The test includes many factors, including review of:

- Your Visa status
- Locations and values of other residences (real property)
- Where your family members and close friends live
- Where your personal property is located - especially valuable items like fine art, currency, cash, stocks, and bank accounts
- The location of your business interests
- Where you are registered to vote
- Where you are licensed to drive

- Where your primary residence is
- Where you intend to be buried

### **Non-resident alien status**

If a person is neither a citizen of the U.S. nor considered to be domiciled in the U.S. (a non-resident alien or “NRA”) for gift and estate tax purposes, then the only assets which would be subject to [U.S. gift and estate taxes](#) are those situated in the United States.

As an attorney experienced in [international estate planning law](#), I can help you determine whether you are subject to U.S. estate and gift tax laws.

Call me at (650) 325-8276 or download my new guide, [U.S. Gift Tax and Estate Tax Planning for Non-Residents and Non-Citizens >>](#)