

US Expansion Playbook
Staying Compliant in the US

October 22, 2026

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US Expansion Playbook Webinar Series

1. Choosing the Right US Entity
2. Capitalizing & Funding Operations (7/30/26)
3. **Staying Compliant in the US** (10/22/26)
4. State & Interstate Compliance (1/21/27)

Sign up for future sessions!



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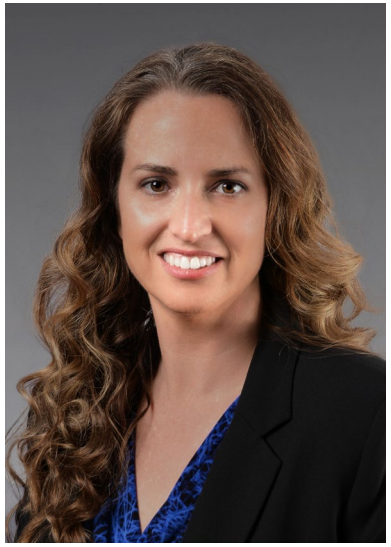
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Today’s Presenters



Justin Stenberg
Partner, Forvis Mazars US



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Partner, Forvis Mazars US



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Common Focus Points of U.S. Tax Compliance



- Federal business tax compliance
  - First year elections
    - Accrual or cash
    - Inventory method
- State tax compliance is often very different between states
- Personal property tax is assessed by county
- Payroll tax
- Sales tax
- Individual income tax compliance

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U.S. Compliance

The choice of entity type and the entity's U.S. tax classification has a significant impact on the U.S. reporting requirements. A general description is described below

Corporation—Direct U.S. taxpayer

- Form 1120, U.S. Corporation Income Tax Return.
- U.S. tax assessed at a rate of 21%.
- State and local tax returns, as applicable, with varying rates of tax.
- Transactions the U.S. taxpayer has with related persons must be reported on Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation, which is filed along with Form 1120.
- The failure to file penalty for Form 1120 is 5% of the unpaid tax per month (or partial month) the return is late, capped at 25%, with a minimum penalty if more than 60 days late. If the return is more than 60 days late, the IRS enforces a minimum penalty, which is the lesser of a set dollar amount (e.g., $525 for a 2025 return filed in 2026) or 100% of the unpaid tax.

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U.S. Compliance

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No legal entity

- Form 1120-F
  - Includes operations made through a U.S. Branch or through a partnership interest in a partnership with U.S. effectively connected income.

It is generally recommended that the non-U.S. shareholder consider filing a protective U.S. income tax return to:

- Disclose that the non-U.S. shareholder has commercial business activity associated with the U.S.
- Preserve its right and ability to claim deductions against U.S. source gross income, if any.
- Disclose any treaty-based tax return position upon which it relies to avoid the imposition of U.S.
- Such disclosures are made annually on Form 1120-F, U.S. Income Tax Return of a Foreign Corporation and Form 8833, Treaty-Based Return Position Disclosure

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U.S. Compliance

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Limited Liability Company (LLC) – Single Owner

- Form 1120, U.S. Corporation Income Tax Return.
  - Informational only.
  - Discloses information about and transactions with the non-U.S. owner
- Form 1120-F, U.S. Foreign Corporation Income Tax Return (if owned by an entity).
  - U.S. tax assessed at a rate of 21%.
  - U.S. branch profits tax may apply at a rate of up to 30%.
  - State and local tax returns, as applicable, with varying rates of tax.
  - Form 5472, Information Return of a Foreign Corporation Engaged in a U.S. Trade or Business
- Form 1040NR, U.S. Nonresident Alien Income Tax Return (if owned by a natural person).
  - U.S. tax assessed at graduated rates of up to 37%.
  - State and local tax returns, as applicable, with varying rates of tax.

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U.S. Compliance

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Limited Liability Company (LLC) – Multi-member

- Form 1065, U.S. Return of Partnership Income.
  - Informational return.
  - Issues Schedule K-1, Partner's Share of Income, Deductions, Credits, etc.—International.
  - Taxable as a fiscally transparent partnership for U.S. tax purposes.
  - Ultimate owners would pay U.S. tax and file U.S. income tax returns based on their respective tax status (see prior slide).
- Partnership is required to withhold U.S. tax on non-U.S. persons' share of partnership income which is effectively connected with a U.S. trade or business.
  - Form 8804, Annual Return for Partnership Withholding Tax.
  - Withholding may be required at 21% for corporation members and 37% for members that are natural persons.
  - Remittance of estimated tax payments is due quarterly.

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Treaty Benefits & Documentation

- Where the U.S. maintains an income tax treaty with another jurisdiction, the treaty may:
  - Modify the U.S. taxation of a particular item.
  - Exempt an item from tax or reduce the applicable U.S. tax rate, including on interest, dividends, and royalties.
  - The income effectively connected with a U.S. trade or business of a taxpayer is not attributable to a permanent establishment or a fixed base in the U.S. and is therefore not subject to U.S. tax.
  - May modify the amount of business profits of a taxpayer attributable to a permanent establishment or a fixed base in the U.S.
  - Grant a credit for a foreign tax which is not allowed by the Code.
  - Alter the source of any item of income or deduction.
- Reliance on a treaty must be disclosed. Failure to disclose may result in either the loss of benefits or imposition of a monetary penalty. Disclosure is made annually on Form 8833, Treaty-Based Return Position Disclosure.
- Not all persons are eligible for treaty benefits. The taxpayer must generally be a resident of a treaty country. Most U.S. tax treaties also contain a **limitation-on-benefits** provision.. This treaty article must be carefully analyzed to determine whether non-U.S. persons are entitled to benefits.

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Treaty Benefits & Documentation

- A non-U.S. entity documents its ability to claim benefits pursuant to a treaty by completing one of the following:
  - Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)
  - Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)
  - Form W-8IMY, Certificate of Foreign Person's Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States
  - Form W-8ECI, Certificate of Foreign Person's Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States
  - Form 8233, Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual
- These forms must be signed under penalties of perjury.
- These forms are also required to document certain non-U.S. persons' status for the Foreign Account Tax Compliance Act ("FATCA").
- These forms are generally valid for three years and must be provided to U.S. payors of income prior to payment of U.S. source income to non-U.S. persons.

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Most Common US Inbound Tax Forms

1. **Form 5472:** Filed by foreign-owned U.S. corporations or LLCs to report transactions with related foreign parties.
2. **Form 8233:** Used by nonresident aliens to claim exemption from withholding compensation for independent personal services.
3. **Form 8840:** Filed by individuals who are considered "closer connection" to a foreign country than to the United States for purposes of determining their residency status.
4. **Form 8865:** Filed by U.S. persons with certain foreign partnerships or controlled foreign partnerships.
5. **Form 8938:** Filed by U.S. taxpayers to report specified foreign financial assets that exceed certain thresholds.
6. **Form 8975:** Filed by ultimate parent entities of U.S. multinational enterprise groups to report certain information for country-by-country reporting purposes.
7. **Form 8804 and 8805:** Filed by foreign partners in a U.S. partnership to report effectively connected income and tax withheld.
8. **Form 1042:** Used to report withholding on income paid to foreign persons, including wages, rents, royalties, and dividends.
9. **Form 1116:** Used to claim the foreign tax credit by U.S. taxpayers for taxes paid or accrued to foreign countries or U.S. possessions.
10. **Form W-8BEN:** Used by foreign individuals to claim beneficial tax treaty provisions and certify their foreign status for purposes of U.S. tax withholding.
11. **Form W-8BEN-E:** Used by foreign entities (other than individuals) to claim treaty benefits and certify their foreign status for withholding tax purposes.

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U.S. Expansion Playbook
Staying Compliant in the US

Corporate Governance: Protecting the Liability Shield

Corporate governance formalities can be important legal requirements, not merely administrative paperwork:

- Adopt and follow bylaws / operating agreement; keep them current
- Document key decisions by board or manager resolutions (annual meeting or written consent)
- Appoint officers with clear signing authority; avoid parent executives signing for the U.S. entity informally
- Maintain minute book, ownership ledger, and copies of state filings

Separateness in practice:

- Separate bank accounts, letterhead, contracts, and books
- Written, arm's-length intercompany agreements (services, IP license, distribution)

👉 ***Formalities ignored today become veil-piercing arguments tomorrow.***

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U.S. Expansion Playbook
Staying Compliant in the US

State Registrations & Good Standing

Where are you “doing business”?

- Foreign-qualify in every state where you have offices, employees, inventory, or regular operations
- Maintain a registered agent in the state of formation and each qualified state
- Obtain local business licenses, permits, and assumed-name (DBA) filings as required

Keep the entity in good standing:

- File annual / periodic reports on time in each state
- Update records after changes in officers, directors, address, or name
- Monitor federal beneficial ownership (Corporate Transparency Act) developments

👉 ***Lost good standing can mean penalties, no access to state courts, or dissolution.***

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U.S. Expansion Playbook
Staying Compliant in the US

Employment & Immigration Compliance

Hiring in the U.S. is different from home:

- At-will employment is the norm, but written offer letters and handbooks still matter
- Classify correctly: exempt vs. non-exempt (overtime) and employee vs. independent contractor
- Complete Form I-9 for every new hire; check state E-Verify requirements
- Federal, state, and local anti-discrimination, leave, and wage laws all apply

Sending people from abroad:

- Plan visas early (e.g., L-1 intracompany transferee, E-1/E-2 treaty trader/investor, H-1B)
- Use U.S.-compliant employment agreements, not translated home-country contracts

👉 ***Employment claims are among the most common lawsuits U.S. subsidiaries face.***

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U.S. Expansion Playbook
Staying Compliant in the US

Contracts, IP & Data Privacy

Contracts built for the U.S. market:

- Address governing law, venue / arbitration, limitation of liability, and warranty disclaimers
- Don’t simply translate home-country terms—U.S. courts enforce what is written

Protect your intellectual property:

- Clear and register key trademarks with the USPTO before launch
- Get written IP assignments from employees and contractors; license group IP to the U.S. entity in writing

Data privacy—no single U.S. “GDPR”:

- Growing patchwork of state privacy laws (e.g., California, Texas) plus sector-specific federal rules
- Data breach notification laws in all 50 states; update website privacy notices

👉 ***In the U.S., your contracts and registrations are your first line of defense.***

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U.S. Expansion Playbook
Staying Compliant in the US

Regulatory & Litigation Risk Management

Know your federal regulatory touchpoints:

- Sanctions and export controls (OFAC, EAR) and import / customs rules (CBP)
- Anti-corruption (FCPA) and industry-specific licensing (e.g., FDA, environmental, financial services)
- Foreign investment review (CFIUS) for acquisitions or investments in sensitive sectors

Prepare for the U.S. litigation environment:

- Broad discovery: adopt a document retention policy and litigation hold process
- Insurance review: general liability, product liability, D&O, cyber, and EPL
- Designate a U.S. point of contact for legal notices, subpoenas, and agency inquiries

👉 ***Compliance programs cost far less than enforcement actions and lawsuits.***

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U.S. Presence

Leading U.S. Firm

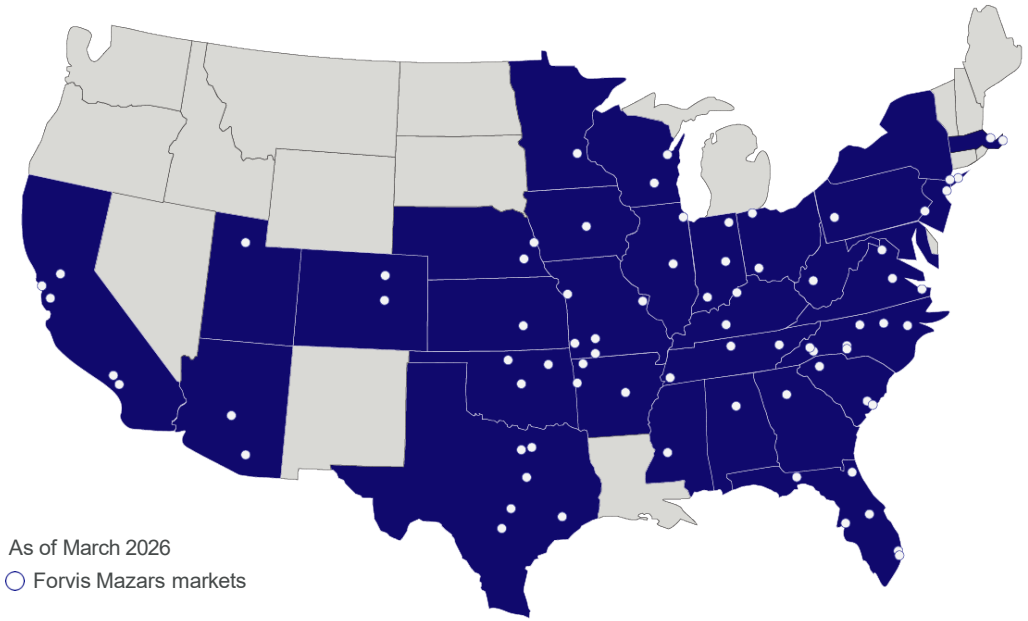
$2.24B
Revenue (FY 2025)*

76
Markets

30
States

600+
Partners & Principals

7,000+
Employees



As of March 2026
◯ Forvis Mazars markets

Alabama
Birmingham

Arizona
Phoenix
Tucson

Arkansas
Fort Smith
Little Rock
Rogers

California
Irvine
Los Angeles
Sacramento
San Francisco
San Jose

Colorado
Colorado Springs
Denver

Florida
Boca Raton
Fort Lauderdale
Jacksonville
Orlando
Tallahassee
Tampa Bay

Georgia
Atlanta

Illinois
Chicago
Decatur

Indiana
Evansville
Fort Wayne
Indianapolis

Iowa
Des Moines

Kansas
Wichita

Kentucky
Bowling Green
Louisville

Massachusetts
Boston
Brewster

Minnesota
Minneapolis

Mississippi
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Greenville
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Raleigh

Ohio
Cincinnati
Toledo

Oklahoma
Enid
Oklahoma City
Tulsa

Pennsylvania
Philadelphia-Metro Area
Pittsburgh

South Carolina
Charleston
Greenville
Summerville

Tennessee
Knoxville
Memphis
Nashville

Texas
Austin
Dallas
Fort Worth
Houston
San Antonio
Waco

Utah
Salt Lake City

Virginia
Norfolk
Richmond

Washington D.C. Metro Area

West Virginia
Charleston

Wisconsin
Appleton
Madison

*FY 2025 revenue: period ending 5/31/25.

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Updated 03/02/2026

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Global Presence

Leading Global Network

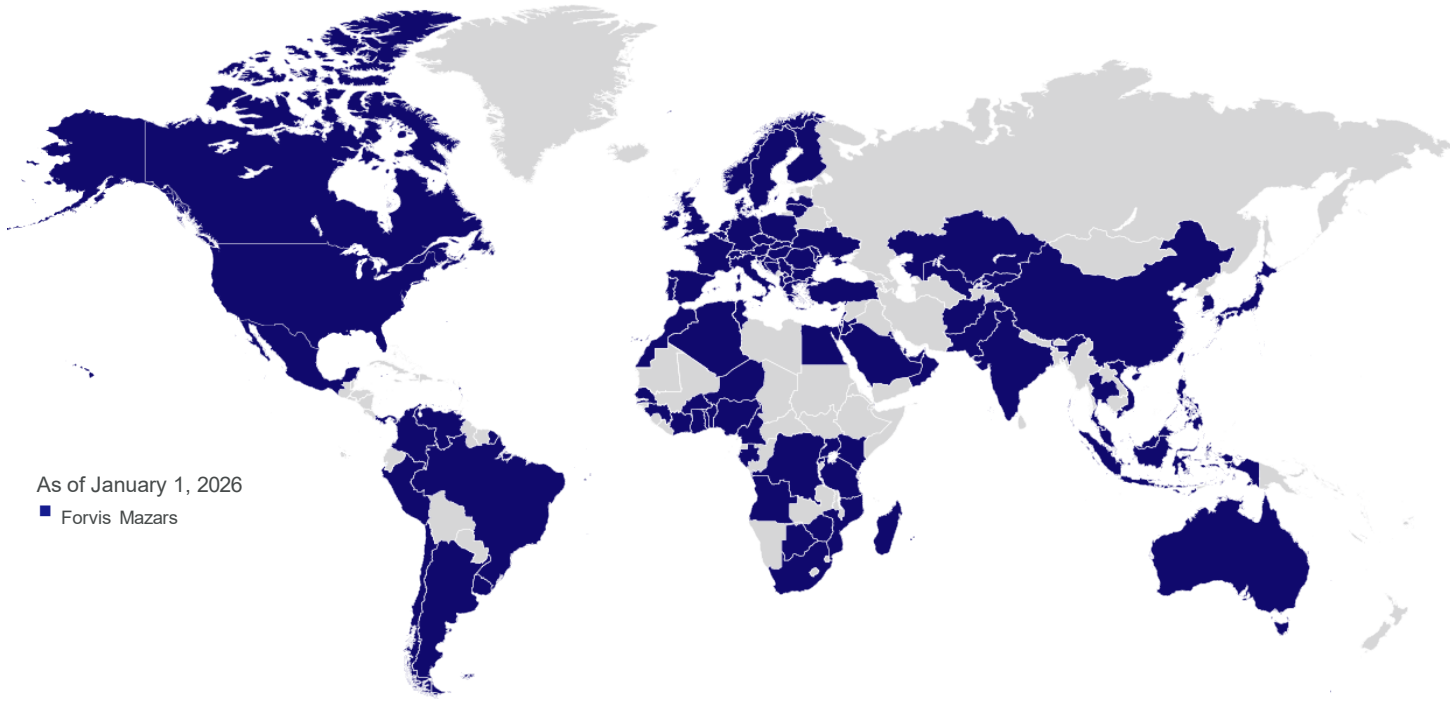
$5.5+B
Combined Revenue (2025*)

100+
Combined Countries & Territories

400+
Combined Offices & Locations

1,800+
Combined Partners

40,000+
Combined Employees



As of January 1, 2026

- Forvis Mazars

- Afghanistan
- Albania
- Algeria
- Angola
- Argentina
- Australia
- Austria
- Bahrain
- Belgium
- Benin
- Bermuda
- Bosnia and Herzegovina
- Botswana
- Brazil
- Bulgaria
- Burkina Faso
- Cameroon
- Canada
- Cayman Islands
- Chile
- China
- Colombia
- Côte d'Ivoire
- Croatia
- Cyprus
- Czech Republic
- Democratic Republic of the Congo (DRC)
- Denmark
- Egypt
- Finland
- France
- Gabon
- Germany
- Ghana
- Greece
- Guinea
- Hong Kong
- Hungary
- India
- Indonesia
- Ireland
- Israel
- Italy
- Japan
- Jordan
- Kazakhstan
- Kenya
- Korea
- Kosovo
- Kuwait
- Kyrgyzstan
- Latvia
- Lebanon
- Lithuania
- Luxembourg
- Madagascar
- Malaysia
- Malta
- Mauritius
- Mexico
- Moldova
- Morocco
- Mozambique
- Netherlands
- Niger
- Nigeria
- North Macedonia
- Norway
- Oman
- Pakistan
- Palestine
- Panama
- Peru
- Philippines
- Poland
- Portugal
- Qatar
- Romania
- Rwanda
- Saudi Arabia
- Senegal
- Serbia
- Singapore
- Slovakia
- Slovenia
- South Africa
- Spain
- Sweden
- Switzerland
- Taiwan
- Tanzania
- Thailand
- Togo
- Tunisia
- Türkiye
- Uganda
- Ukraine
- United Arab Emirates
- United Kingdom
- United States
- Uruguay
- Uzbekistan
- Venezuela
- Vietnam
- Zimbabwe

*As of 8/31/2025

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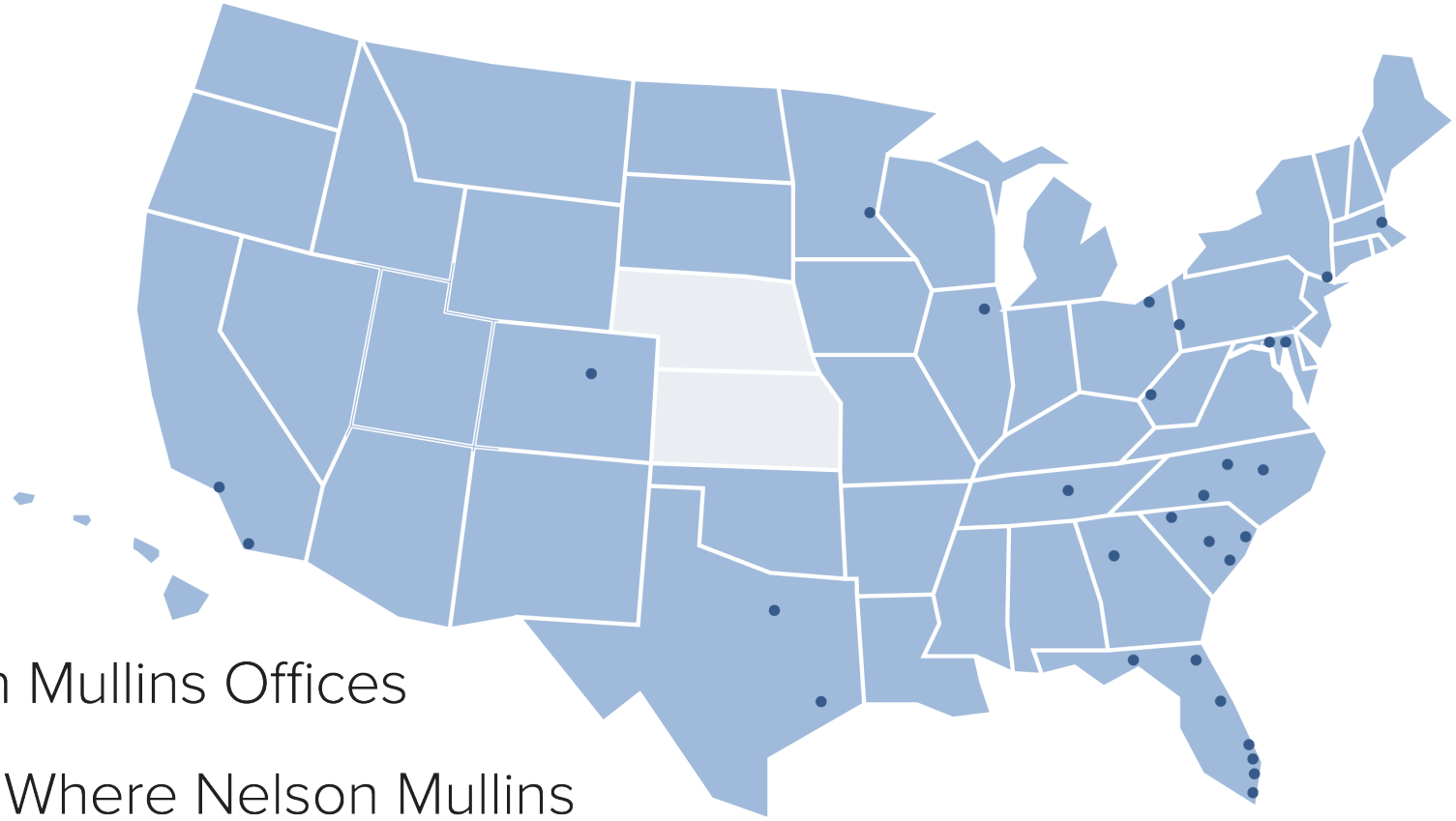
33 offices in 17 states and Washington, D.C.

Full-Service National Law Firm

1,000+ Professionals

100+ Practice Areas

Offices from Coast to Coast



Nelson Mullins Offices

States Where Nelson Mullins Attorneys are Admitted to Practice

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Manny Schoenhuber

Outside General Counsel for European Clients in the USA

- Manny was born and raised in Germany and advises European investors, companies and their subsidiaries in the USA.
- Manny is the author of *Mastering Market Entry: USA – The European's Guide to Making It BIG in America* and host of the *Transatlantic Titans* podcast.
- Manny is the *Vertrauensanwalt* of the German Consulate General Houston covering Texas, Louisiana, Arkansas, Oklahoma, and New Mexico.
- As their single contact through which to direct questions, Manny manages his clients' legal matters across all the firm's practice areas.
- As a US-educated attorney with European roots, Manny provides added value to clients by understanding the cultural, societal, and organizational differences.
- Manny is Vice Chair of the Board of Directors of the European American Chamber of Commerce Texas.
- Prior to becoming a lawyer, Manny was a professional football goalkeeper in Germany and collegiate athlete in Florida.







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- Communications & Media
- Corporate & Securities
- Cybersecurity & Privacy
- Economic Development
- E-Discovery & Information Governance
- Education
- Employment & Labor
- Energy
- Environmental
- Estate Planning & Family
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- Government Relations
- Health Insurance
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