

USA Frequently Asked Questions

Also see FAQ's from IPG in Downloads/Information

- 1. Can I have a bank account in USA or in my country? Where will my rent be paid?**
Rent can be paid into your USA bank account which our alliance partner IPG will set up for you. You will be paid every month and have access to internet banking and your own Visa debit card.
- 2. How is my ownership structure set up? What do I need to do? Will I be issued with a title deed?**
Based on your personal circumstances an LLC (Limited Liability Company) will be set up for you. We use a specialist firm based in Melbourne (IPG) that can structure everything for you like setting up an LLC, Bank accounts, your annual tax advice and accounting. Your appointed closing attorney will guide you through the process for settlement/closing.
- 3. Is there any stamp duty on the property I buy?**
No stamp duty on USA property either buying or selling.
- 4. Who will manage my property and how much is the management fee?**
Ray White Property Management has an office based in Atlanta with 500+ properties right now. With over 250,000 properties worldwide you're certainly in good hands. The management fee is 10%.
- 5. What tax will I pay?**
With an LLC set up you will pay 10% to 15% tax of the gross rental income. You also have tax deductions like depreciation which will lower this rate.
- 6. Will I pay double tax in USA and my country?**
No you will only pay tax on one side in the USA
- 7. Can I finance my property purchase?**
Yes you can please speak to your consultant and he/she will explain how it can be done.
- 8. Will I pay capital gains tax?**
Capital gains tax is at 15%. If you sell and reinvest in USA property you will pay no CGT
- 9. Will my USA property purchase help me get a VISA?**
Your purchase may assist you with a travel visa to inspect your property. Your trips to the USA are tax deductible. Please seek professional advice from an immigration lawyer in relation to all other VISAS.
- 10. How long will a tenant sign a lease for?**
12 months minimum
- 11. Why invest in the USA?**
Low prices. High Australian dollar and high net returns.

12. Do I need to travel to USA?

No you don't. Everything can be done from here.

13. Can I use my Superannuation money to buy USA Properties?

Yes.

14. What if I can't find a tenant?

Many of our properties are already tenanted. If not we can give you a first tenant guarantee.

15. What if my country's currency goes down against the USD?

The currency exchange rate between the USA and Australian dollar is very favourable at present. Therefore the costs of exchanging funds into the American dollar are low. If the Australian dollar was to reduce back down to .60 – 70 cents, moving rental income back to Australian currency will work in your favour, i.e. increase your overall net return.