

# Not ready to set up a US office but have a few US customers?

Here's some helpful information on some of the more nitty-gritty details of setting up business in the US.

## US TAX

A non-US person or company is subject to U.S Tax on business income only if they are engaging in a trade or business in the United States.

A non-US person is engaged in a trade or business in the U.S only if they have:

- (a) At least one dependent agent on the ground in the U.S. and
- (b) That dependent agent does something substantial to further the business.

If you do not have such a dependent agent in the US, with a US office you are not subject to U.S. tax.

If you engage a third party distributor eg Amazon who is independent then you would not be considered as doing business in the U.S.

Similarly, if you appointed a wholesaler or third-party fulfillment center you would not be considered as doing business in the US.

Additionally, if you reside in your tax home and operate a 'permanent establishment' (an office or other fixed place of business) you would not be subject to US tax.

## **VISA**

You can travel to the US without a formal visa as a business visitor for:

- (a) Meetings
- (b) Short training courses
- (c) Professional Development Seminars
- (d) Sales calls relating to products or services not produced in the U.S.

## **INSURANCE**

You ought to consider extending business insurances to the United States for products or services supplied.

## **TRADE MARK**

You do not have to be a US Citizen or US entity to apply for a US Trademark and secure a federal registration.

## **CORPORATE CHOICE**

As a non-US person or company you are free to establish either a limited liability company (LLC) or a Corporation (C-Corp).