



# Expedited Opt-Out Needed for OVDI Participants Who Owe No Tax

## PRACTICE AREAS

Estate Planning

International Tax

Tax

## *Tax Notes*

January 30, 2012

The authors practice in the voluntary compliance area, and they acknowledge that they have clients with facts similar to the case studies presented here. However, the authors will not receive compensation for writing or submitting this article. This article was motivated by a belief that the treatment given taxpayers described here is both bad tax policy and fundamentally unfair.

The authors argue that an expedited opt-out procedure is needed for taxpayers in the IRS's offshore voluntary disclosure initiative (OVDI) who owe little or no tax. The one-size-fits-all OVDI penalty structure is a poor fit for many taxpayers who owe no or de minimis amounts of additional taxes but still failed to file a foreign bank account report or other information returns or forms.