

KB Associates U.S. Partnership Representative Services

Regulatory Background

The U.S. Bipartisan Budget Act 2015 introduced a range of legislative changes in relation to the audit of partnerships. Under this legislation and effective for tax years beginning January 1st 2018, the U.S. Internal Revenue Service (“IRS”) requires that a Partnership Representative (“PR”) be appointed to each U.S. domestic or foreign partnership that is required to file a partnership return (Form 1065). The purpose of the PR is to manage the audit process with the IRS.

Partnership Representative Substance Requirements

The legislation requires that the PR have a substantial presence in the USA. A substantial presence requires the PR to:

- Have a U.S. taxpayer identification number;
- Have a U.S. telephone number and a U.S. street address;
- Be available to meet in person with the IRS at a reasonable time and place as necessary.

Whilst it is not explicitly stated in the legislation that the PR should be U.S. resident, the practical implications of the substantial presence requirements create little opportunity for this role to be undertaken by an individual outside of the USA.

The Role of the Partnership Representative

The key tasks performed by the PR include:

- Acting as a direct contact with the IRS in the event of an audit;
- Serving as the named individual on all partnership tax returns;
- Completing all necessary duties as required by U.S. tax law in the case of an audit;
- Consulting with the General Partner of the partnership during the audit and working with each partnership in relation to any documentation, filings or requests.

KB Associates

KB Associates offers the provision of a suitably qualified person, Neal Berkowitz to meet the substantial presence requirements to perform the PR role.

If you wish to discuss any aspects of this service, please contact Neal Berkowitz at neal.berkowitz@kbassociates.ie or on 001 917 257 4103. Please see Neal Berkowitz’s biography below.



Neal has been active in the financial services industry since 1990. He has broad expertise in UCITS funds and other types of investment funds.

He has experience in the preparation of business plans, risk management process documents and other policies and procedures for UCITS funds. He also has detailed experience of acting as a PR for a number of partnership entities.

Prior to joining KB Associates, Neal was Senior Vice President and Chief Financial Officer at Christian Brothers Investment Services (“CBIS”), a global asset management firm.

At CBIS, he was responsible for the establishment and management of various kinds of investment funds. He served as director of CBIS Global Funds and a member of CBIS’ management team. Prior to that, Neal worked in the property industry and with Ernst and Young.

Neal holds an MBA from Pace University, is a Certified Public Accountant and a Chartered Global Management Accountant.