

PUBLICATION

Yet Another Government Form...

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April 16, 2008

As foreign investors populate transactions in the hospitality space, one reporting requirement applies directly to the service sector. The International Investment and Trade in Services Survey Act ("IITSSA", found at 22 USC §3101) is administered by the Bureau of Economic Analysis of the Department of Commerce. IITSSA requires reports of all foreign investment in a U.S. business enterprise in which a foreign person owns 10% or more of the voting interest, unless the investment is less than \$1 million, is under 200 acres, or is real estate intended for personal use.

Commerce will use this form to determine if it will require further survey information. In the alternative, assuming the asset value is less than \$3 million or the land purchase is of less than 200 acres, investors still have to file what is called a "B13-c Exemption Claim," which still requires some accounting disclosures but is far less burdensome. This is usually completed by the investor's accountant.