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# Methods of Repatriation



## Methods of Repatriation

If you have international operations, your overseas entities may be generating their own income. But the process of getting those profits back into your home country is complicated, governed by local rules and tax regulations. How do you bring your cash back home so you can further build your business? Here are some common practices for repatriation of cash from foreign entities.

### Dividends & Profits:

Once an entity pays local tax on its profits, it can send cash back to overseas headquarters by means of a dividend on those profits. The timing and amount of issuing such a dividend is subject to local requirements and approvals.

### Royalties:

An international entity can make royalty payments back to the home country headquarters, for use of trademark, technology, know-how, etc. The percentage may have to be approved in advance by local authorities.

### Management Service Fees:

This is when a parent company is paid an appropriate percent fee for providing services to a foreign entity. Services typically include things such as entity management, advisory, etc.

### Intercompany Loans:

If the parent entity extends a loan to the subsidiary, interest payable can be repatriated. Frequency and other aspects of the process should be based on approved interest repayment terms.



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Radius helps businesses move into new markets, manage overseas operations and outsource entire global accounting and administrative functions. Services include integrated, international accounting, finance, banking, tax, HR, legal and compliance services, as well as a cloud-based software platform that allows you to manage all of your global operations from your desk.

Radius combines the collective talents and resources of the former Nair & Co and High Street Partners. To assist its clients, Radius has developed *OverseasConnect*, an integrated cloud-based software platform for the management of international business operations serving Finance, HR and Legal teams. Radius is headquartered in Bristol, U.K., and supports more than 6,000 client operations in more than 80 countries, with core offices in the U.K., India, China, U.S., Japan and Singapore.

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