How to receive payment from overseas

It is very popular now to work for a foreign company and in other countries. The most popular places to make money are Europe and Asia. Over time, the question arises of how to receive payment from overseas? You can receive money from overseas by using payment services. These transactions come quickly and with low fees. You have to fill the number, expiration date, CVV/CVC code of the sender's card, and the recipient's card number and transfer amount.

In order to operate foreign money safely, you can use foreign bank accounts. Now it is not uncommon to use bank accounts in several countries. This helps to reduce the tax burden.

However, for a positive effect, you should consider the peculiarities of national legislation. Most countries require foreign account holders to report such accounts and provide statements, or you will get a fine. Only if you comply with the laws, it is possible to receive payments from overseas, especially when working with foreign partners.

Ignorance of the law is not exempt from it.It is important to know not only the taxation systems in the countries, but also possible benefits. So if you do not know the law, the European tax authorities tax you. With a competent approach it is possible not only to bypass taxes, but also to receive incentives.

Europe

There are many countries in Europe and all have their own tax rules. For example, a resident who lives more than 6 months in Austria must pay tax on income. For income up to $25k you must pay 25% tax. The situation is similar in Belgium.

There are countries with low taxes. In Bulgaria, non-resident must pay only 10% of the income received. In the UK, as well as in the EU countries, there is an agreement to abolish double taxation. Here for income up to $35k tax will be 20%. In Greece you can not tax income less than $12,000k.

To summarize, you have to pay tax to get foreign income in Europe. Each country has its own rules, so the amount of tax depends directly on the country. Tax limits are usually lower in southern countries than in Scandinavian countries.

You can open a European bank account to receive money from Europe. The banking system of many European countries is well developed, reliable and well-organized. Non-residents will be able to open an account in Europe without a personal visit in one of the following ways:

Through a representative office of a foreign bank in the territory of your country. In this case you will need to visit the bank branch in your country and ask to open an account in another jurisdiction.

Completely remotely by submitting a package of documents to open an account.

Before opening an account in a foreign bank, analyze its functionality, and the features of the account from which you plan to make a currency transaction. For example, available currencies, cost of sending money, sending limits, country restrictions, and required documents for sending funds.

We recommend the following payment systems to open an account for an individual:

British payment system. This payment system has offices in London and Riga. The accounts available in more than 30 currencies!

Lithuanian payment system. Allows you to make quick transfers within and outside the SEPA area.

IBAN account on a cryptocurrency exchange platform in the UK.

After opening a European account, the client can use the foreign money without double taxation. The customer can also transfer money to his account with a limit of €1000 per day in a single payment.

Asia

Personal income tax rates in European countries often exceed 40%, while in Hong Kong and Singapore personal income tax rates are 15% and 20% respectively. Currently, more than a hundred of the world's largest banks run successfully in Asia. Approximately the same number of local and regional banks.

Distance opening of Asian accounts costs from $700. Sometimes the bank can conduct a video interview with you to find the purpose of opening an account.

These banks are good for foreign business or long-term use. For a single transfer, it is expensive and complicated. A relative disadvantage of Asian banks is also more complicated communication between the bank and the client. There is also a significant time zone difference.

Any transfer from an Asian account requires documentation. Banks are often asked to confirm transactions exceeding $50,000 to $100,000 USD. If the client can not confirm the transfer, the bank will close the account or report to the regulatory authorities in Hong Kong. Also there is no currency regulation, which makes the bank not convenient.

Due to difficulties of the Asian banking system, it is better to receive money in other ways.

Peer-to-peer

Transfer between two persons (p2p, c2c) is a method of transferring money on the Internet between people using bank card details. The p2p service offers you to transfer money almost in a few seconds. You need to have an amount in your account and know details of the recipient's card to make a transaction.

Wire transfers are possible in different ways, such as, through banks or payment systems. But practice shows that if the site has a service P2P-payments, users are more likely to choose it.

First, to make a p2p-payment there is no need to go to a bank branch, provide documents, install the bank's App on your smartphone, and register on the website. Secondly, the commission for such payment is lower or equal to that set by other money transfer intermediaries. Third, P2P-payment guarantees a secure payment. The card holder connects to 3-D Secure, and the service has an international certificate PCI DSS. Such measures increase transfer security and reliability.

These transactions are visible to your bank as domestic not as foreign. However, the tax commission might be interested in large transfers. If your country's legislation requires such transfers to be declared, it is better to let the IRS know. Tax evasion for foreign money can lead to heavy penalties and closing your account.