

We are an independent, full-service valuation firm. We offer an array of valuation and consulting services, including corporate valuation, gift, estate, and income tax valuation, buy-sell agreement valuation, financial reporting valuation, and ESOP and ERISA valuation.

Our valuation professionals are highly qualified to help clients with critical valuation issues. Our deliverables are designed to withstand review by third parties such as in administrative, regulatory body review and court proceedings. We are a "qualified source" per SOP 50 10 5 (J) of Small Business Administration. We can assist with transaction-related needs, including M&A advisory, fairness opinions, and strategic alternatives assessment.

We provide thorough, independent valuation analyses together with superior client service and responsiveness. We produce comprehensive analyses and deliverables that reflect our technical depth and extensive experience with complex valuation issues and diverse industries. By working with our clients at every step of the valuation process, we maximize efficiencies by minimizing diversion of client resources and personnel. We are well known for dependability, including on-call availability during a project, strict adherence to deadlines, and continuous communication with our clients.

Services

- Financing related valuations
- Sales of business or interest in business
- Sales of interest to insider
- Estate transfer of business or interest in business
- Gift transfer of business or interest in business
- Succession and exit planning
- Special tax valuations including intangible asset valuation
- Family law engagement
- Civil litigation

Industries

- Automotive parts manufacturer
- Steel manufacturers and distributors
- Chemical
- Transportation
- Information Technology, Software and Game
- Biotechnology and Pharmaceutical



We offer multifaceted international tax services that help minimize tax burden and increase net income. We ensure compliance with the most recent tax laws and provide the most efficient solution to avoid many risks inherent in international businesses.

Tax Services Inbound to the US from Korea

With overseas expansion by Korean residents into the U.S. constantly growing, clients demand service providers which has specialized skills in Korea and the U.S. We can help client identify and design efficient frame to realize your exit and entry strategies & considerations. Even If clients reside in the U.S., clients can enjoy and focus on his/her own business through our one-stop support.

How we can support you:

[Korean] Business Tax Services

We can support to file a tax return of your business income, Value Added Tax and its related Tax Advisory Services.

[Korean] Inheritance and Gift Tax Services

We can support Inheritance and Gift Tax Filing and Advisory Services and Tax advisory services for family business succession and establishment of non-profit organizations.

[Korean] Tax Audit Defense and Tax Appeal Services

We can provide Assistance on Tax Audit Defense, Tax Appeal Services (National Tax Service, Tax Tribunal, Board of Audit and Inspection) and Ruling Request Services.

[Korean] Local Tax Service

We can assist Local Tax Advisory Services (Acquisition Tax, Property Tax, etc.), Assistance on Tax Audit Defense and Tax Appeal Services.

[Korean] Global and Domestic Employer Services

We can support Tax Filing and Tax Management Services for international and domestic assignees and Global Payroll and Compensation Management.

US issues:

- Report of Foreign Bank & Financial Accounts (“FBAR”)
- Foreign Account Tax Compliance Act (“FATCA”)
- Withholding taxes of foreign taxpayer
- Non-resident income tax filing
- Earnings Stripping
- Foreign Investment in Real Property Tax Act
- Foreign Tax Credit
- Controlled Foreign Corporation
- Income Tax Treaties



Tax Services Outbound to Korea from the US

With overseas investment and transaction by a U.S. citizen or permanent resident constantly growing, tax issues can inevitably arise. Without deliberate planning, investing another country may give rise to poor performance.

We can minimize potential tax cost and facilitate after-tax liquidity by addressing prospective tax issues which could affect pending or future investment. Our experts provide you with solutions:

[Korean] Tax Health Check and Tax Audit Assistance

With considering total circumstance of Korea tax system, we can help you identify and solve potential tax issues. As Korean tax authorities have introduced the diverse audit skills, we can provide you with appropriate audit defense services to decrease additional tax assessment and liabilities.

[Korean] Tax Appeal and Ruling Request assistance

One of taxpayer's most concerns is disputes against tax authorities resulting from tax assessment. We put it in a top priority to persuade tax authorities in favor of clients or win the case.

[Korean] Estate Tax

If a U.S. citizen or permanent dies leaving property in Korea, inherited properties in Korea will be subject to inheritance tax in Korea as well as in the U.S.

[Korean] Gift Tax

If a U.S. citizen or permanent as a donee receives asset in Korea from Korean resident, a donee will be subject to report and pay gift tax in Korea.

[Korean] Capital Gains Tax

If a U.S. citizen or permanent sells investment assets such as real property and stocks, you should report and pay transfer income tax in Korea and the U.S.

[Korean] Advisory Services

FDI Tax Exemption Advisory Services

[USA] Report of Foreign Bank & Financial Accounts ("FBAR")

If you have more than \$10,000 in your foreign financial account (outside the US including Korea) at any time during the year, you must complete FinCen 114 and report to the U.S. Department of the Treasury.

[USA] Foreign Account Tax Compliance Act ("FATCA")

If you are a U.S. citizen or permanent resident living in Korea and you have more than \$200,000 of foreign financial assets at the end of the year (\$400,000 for MFJ) or \$300,000 at any time during the year (\$600,000 for MFJ), you must submit Form 8938 along with the federal tax return.

M&A

We are experienced advisors to business owners seeking to sell their businesses and corporate buyers seeking to acquire companies. Our comprehensive M&A advisory services include preparing professional valuation and fairness opinions and initiating, managing, structuring, negotiating, and closing buy-side and sell-side transactions on behalf of our clients.

Liquidity

We advise and represent private company business owners seeking to sell a partial interest in their companies in order to achieve liquidity. Our services include introducing business owners to potential private equity investors, advising on the feasibility of private equity recapitalization and ESOP transactions, rendering valuation and fairness opinions, and structuring and negotiating deal terms on behalf of our clients.

Strategic

We work with owners long before a transaction takes place to identify and evaluate the financial feasibility of a range of strategic alternatives available to owners of mid-sized private companies. Our objective is to help our business owner clients implement successful exit and liquidity strategies designed to meet their specific objectives and maximize value upon an exit or liquidity event.



We work with clients to manage and resolve all aspects of tax issues facing firms nowadays. More and more, tax authorities in different jurisdictions are examining cross border related party transactions to protect their tax revenues by ensuring such transactions are conducted at an arm's length price.

Services

- Audit defense – assistance during the audit
- Appeals – assistance after the audit with local appeal options
- Competent authority – assistance after the audit to relieve double taxation pursuant to tax treaties
- Litigation – assistance as expert witnesses before the courts
- Advance Pricing Arrangement – assistance in obtaining prospective certainty on your transfer pricing policies

Transfer pricing refers to the pricing of transactions between controlled entities and is the most important international tax issue among multinational enterprises (MNE). We offer the best transfer pricing strategy, documentation, and dispute resolution services. We with extensive transfer pricing experience and expertise, provide the professional and friendly services in Korean and in English.

The OECD guidance on transfer pricing documentation requires MNEs to provide tax administrations high-level global information regarding their global business operations and transfer pricing policies in a master file that would be available to all relevant country tax administrations. It also requires that more transactional transfer pricing documentation be provided in a local file in each country, identifying relevant related party transactions, the amounts involved in those transactions, and the company's analysis of the transfer pricing determinations they have made with regard to those transactions. The country-by-country report requires MNEs to report annually and for each tax jurisdiction in which they do business the amount of revenue, profit before income tax and income tax paid and accrued. Taken together, these three documents will require taxpayers to articulate consistent transfer pricing positions, will provide tax administrations with useful information to assess transfer pricing risks, make determinations about where audit resources can most effectively be deployed, and, in the event audits are called for, provide information to commence and target audit enquiries.

In the U.S., under Internal Revenue Code (IRC) 482, controlled (related or associated) entities should price transactions in the same way that uncontrolled entities would under similar circumstances. This is the "arm's length standard", which means that the price of the product that the taxpayer charges its related party should be the same as it would charge to an unrelated party for the same product under similar circumstances. The arm's length standard applies to any and all transactions under IRC 482 including among other things, royalties for the use of intangible property, cost sharing arrangements, loans and advances and related interest, services, use of tangible property, on both outbound and inbound transactions.

If the transfer price is not arm's length, the Internal Revenue Service (IRS) has the authority under IRC 482 to make adjustments by reallocating items of gross income, deductions, credits, or allowances in order to properly reflect income between the entities. When analyzing the transfer pricing for controlled transactions, it is important to determine how the taxpayer selects a transfer pricing method to document that the prices charged to its related parties are arm's length. There are various pricing methods available to the taxpayer which are discussed in the regulations promulgated under IRC 482. The taxpayer must select the method that provides the most reliable measure of an arm's length result taking into consideration all the data available. By preparing its transfer pricing documentation, the taxpayer can show the IRS that its transfer pricing was conducted at arm's length.

VAC LLP

Single Audit and HUD Audit



We help our clients in compliance with applicable federal and state laws and regulations, as well as any particular provisions tied with the specific assistance.

The U.S. Department of Housing and Urban Development (HUD) requires audits of entities participating in various HUD programs. For example, HUD requires program-specific audits of for-profit participants (e.g., multifamily housing entities, lenders, etc.) in selected HUD Housing and Ginnie Mae programs under the HUD Consolidated Audit Guide.

Not-for-profit and governmental organizations that participate in HUD housing programs fall under the requirements of the Single Audit Act and the Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our single audit professionals are highly qualified for the financial audit as well as the compliance audit.

Hundreds of billions of dollars of federal assistance come to aid the cash strapped state and local governments and not-for-profits each year. This assistance is provided through thousands of individual grants and awards for the purpose of benefiting the general public in the areas of education, health, public safety, welfare, and public works. As a condition of receiving this assistance recipients must comply with applicable federal and state laws and regulations, as well as any particular provisions tied with the specific assistance. Our specialized HUD auditors are well versed in communicating HUD requirements to the Company management and in performing HUD engagements so that clients are well prepared for audit.

Jun Chang

Mr. Chang has twenty seven years of experience in public accounting services and in private industry. Mr. Chang is a managing partner spending the majority of his time guiding the firm's operations and long-term strategy. He has been working extensively in our general business service and tax practice for many years with various industries ranging retail, wholesale, distribution, manufacturing, IT and software, and international companies. As an active member of the community, Mr. Chang has served Korean American Certified Public Accountant Society of Southern California as a director of the board, Auditor, Director of Website management, Director of Publication, and Scholarship committee member.

Education

- Admitted to Seoul National University in 1985
- Bachelor of Art – Economics, University of California, Los Angeles
- Master of Science – Taxation, California State University, Northridge
- Global Yonsei CEO Program

Hyong Sik Yoon, CPA/ABV, CEIV, CGMA, CMA, CFM

Mr. Yoon has twenty years of experience in public accounting services and in private industry. Mr. Yoon is a partner leading the firm's valuation practice. Mr. Yoon has extensive experiences in financial and compliance audit, business taxation consulting, business valuation, and transfer pricing. Mr. Yoon has served various types of U.S. subsidiaries of multi-national corporations, ranging from manufacturing, wholesale and distribution, IT and software, and healthcare industry. Prior to joining VAC LLP, he worked in Samsung Electronics in Seoul, and served as a director with a mid-sized public accounting firm in California.

Education

- Bachelor of Business Administration, Seoul National University

Members of

- AICPA (Licensed in CA), Forensic Valuation Service Section
- CA Society of CPAs

Myungki Cha

An extraordinary expert in tax law in Korea, Myungki, Cha has had his ultimate passion for the interest of clients as well as excellent skills to manage tax disputes against National Tax Services (equivalent to US IRS) by applying profound researches for outstanding performance. In Los Angeles, He is one of the experts who can handle not only Korea tax law, but also tax accounting. Prior to join VAC LLP, he founded his tax and accounting office and practiced for more than 16 years with a licensed tax attorney and accountant in Korea. While practicing, he served as a member of Committee for National Tax Appeal in the city of Incheon, Korea and a member of Inspection Committee for settlement of Budget in West province of the city of Incheon, Korea. In addition, He also taught accounting and tax law as an adjunct professor in Sogang University, Incheon National University and etc. He worked for Daewoo Corporation involving in overseas electronics trade and wireless telecom privatization project as a way of J.V. business in Morocco and Nigeria for 5 years.

Since 2015, he has published more than 10 articles about tax and accounting in journals.

Education

- Bachelor of Business Administration, Sogang University
- Master in Taxation Studies, Hongik University
- Ph.D. of Business Administration, Sogang University
- Candidate of Master of Laws, 2019 in Gould School of Law at the University of Southern California

Members of

- Korean Association of Certified Public Tax Accountants