

# US Citizens in Australia Face Complex Exit Process to Renounce Citizenship

AUSTRALIA, June 9, 2025

/EINPresswire.com/ -- An increasing number of US citizens living and working in Australia are choosing to renounce their US citizenship. This trend is influenced by a combination of tax obligations, financial complexities, and personal or ideological factors. For those considering this step, understanding the full process is critical to avoiding steep penalties, including the US Exit Tax.



Expatriates must meet specific requirements, complete legal and tax documentation, and appear in person at a US Embassy or Consulate to formally renounce their citizenship. The process includes:

## Step 1: Ensuring Eligibility

To renounce US citizenship, individuals must already hold another nationality. While Australian citizenship is common, any second citizenship will suffice.

## Step 2: Avoiding the US Exit Tax

US citizens must be up to date on their last five years of US tax returns to avoid being classified as a "Covered Expatriate." Those who fall into this category may be subject to the Exit Tax.

The exit tax will be applied to the individual's worldwide assets. People with large Superannuation accounts can often get caught out with Exit tax.

Exit tax can often be side-stepped legally by going through a process known as strategic gifting.

As always, get professional advice in advance.

## Step 3: Schedule a Renunciation Appointment

Appointments to renounce citizenship can be made through any [US Embassy in Australia](#).

Availability typically runs 2 to 4 months in advance.

## Addresses in Australia

### US Embassy in Canberra

- Address: 6 Moonah Place, Yarralumla, ACT 2600
- Phone: +61 2 6214 5600
- Email: AskEmbassyCanberra@state.gov
- Website: [au.usembassy.gov/embassy-consulates/canberra](http://au.usembassy.gov/embassy-consulates/canberra)

### US Consulate General in Sydney

- Address: Suite 2, 50 Miller Street, North Sydney, NSW 2060
- Phone: +61 2 8219 2100
- Email: SydneyACS@state.gov
- Website: [au.usembassy.gov/embassy-consulates/sydney](http://au.usembassy.gov/embassy-consulates/sydney)

### US Consulate General in Melbourne

- Address: 553 St Kilda Road, Melbourne, VIC 3004
- Phone: +61 3 9526 5900
- Email: MelbourneACS@state.gov
- Website: [au.usembassy.gov/embassy-consulates/melbourne](http://au.usembassy.gov/embassy-consulates/melbourne)

### US Consulate General in Perth

- Address: 4th Floor, 16 St George's Terrace, Perth, WA 6000
- Phone: +61 8 6144 5100
- Email: PerthACS@state.gov
- Website: [au.usembassy.gov/embassy-consulates/perth](http://au.usembassy.gov/embassy-consulates/perth)

Appointments must be conducted in person.

## Step 4: Prepare Documentation

Applicants need to prepare and bring:

- US passport or birth certificate – Proof of US citizenship
- Foreign passport – Shows the other citizenship (like Australian)
- Form DS-4079 – Questionnaire about the intent to give up citizenship
- Form DS-4081 – Confirms the understanding of the legal and tax consequences
- Form DS-4080 – The actual oath that will be signed to renounce

### Optional (but helpful)

- Financial records – Needed if one might owe the exit tax
- Last 5 years of tax returns – Proof of compliance with US tax rules and might help avoid the exit tax

### Step 5: Attending the Said Appointment

Renunciation appointments involve a formal interview, an oath of renunciation, and a mandatory fee of US\$2,350 (approximately AUD\$ 3,572 as of April 2025). Individuals should also factor in costs for travel, accommodations, and tax advisor fees.

### Step 6: Receive Certificate of Loss of Nationality (CLN)

After the appointment, former US citizens must wait approximately 6 to 12 weeks for their official CLN to arrive. This document finalizes the renunciation.

### Step 7: File Final US Tax Return

Following renunciation, a final US Dual-Status Tax Return and Form 8854 must be filed. This form declares net worth and confirms compliance with tax laws to avoid being flagged as a Covered Expatriate. Some individuals may qualify for the IRS Relief Procedures program, which can erase up to US\$25,000 in unpaid taxes.

### Professional Guidance Is Strongly Advised

Renouncing US citizenship is a legal and financial milestone that requires careful planning. "The process is legally binding and permanent, so getting it right the first time is critical," said Clark Stott, from Expat Tax Online.

Tax professionals specializing in expat cases can help navigate the process from start to finish, ensuring all paperwork is correctly filed and potential liabilities are minimized.

### Resources:

- US citizens in Australia can begin the process by contacting the relevant embassy:
- US Embassy in Canberra: [au.usembassy.gov/embassy-consulates/canberra](https://au.usembassy.gov/embassy-consulates/canberra)
- US Consulate in Sydney: [au.usembassy.gov/embassy-consulates/sydney](https://au.usembassy.gov/embassy-consulates/sydney)
- US Consulate in Melbourne: [au.usembassy.gov/embassy-consulates/melbourne](https://au.usembassy.gov/embassy-consulates/melbourne)
- US Consulate in Perth: [au.usembassy.gov/embassy-consulates/perth](https://au.usembassy.gov/embassy-consulates/perth)

### About Expat Tax Online

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