HEADQUARTERS, UNITED STATES FORCES KOREA
UNIT #15237
APO AP 96205-5237

REPLY TO
ATTENTION OF:

FKCS-AD

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Home-Based Businesses and SOFA Status Personnel

1. The attached information paper entitled "Operation of Home-Based Businesses by SOFA Status Personnel in Korea" is provided for your information. Please ensure this information paper is made available to all members of your command or organization. No additional action is required.

2. The command is concerned that some USFK personnel may be conducting home-based business operations in violation of installation regulations and in violation of ROK law. This information is provided so SOFA personnel can understand their responsibilities under Service regulations and under ROK law if they choose to operate a home-based business, such as teaching English, while stationed in the Republic of Korea.

3. Please contact USFK OJA at 738-7170 or your local installation if you have any questions.

ARNOLD P. MONTGOMERY
COL, USA
Assistant Deputy Chief of Staff

Encl
Information Paper

DISTRIBUTION:
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FKJA/Col Drew
723-6353/15 Nov 06

INFORMATION PAPER

OPERATION OF HOME-BASED BUSINESSES BY SOFA STATUS PERSONNEL IN KOREA

PURPOSE: To provide a general background on the operation of home-based businesses by SOFA personnel on and off military installations in Korea.

BLUF: Operation of a home-based business on a military installation in Korea is authorized as long as goods or services are provided to SOFA personnel only. All other home-based businesses are prohibited unless expressly approved by the appropriate ROK authorities.

DISCUSSION:

- ROK law prohibits foreign nationals, including SOFA personnel, from conducting business or working in Korea without appropriate licenses and visas.

  -- EXCEPTION: ROK immigration authorities do not object to business transactions, sales of goods or services, between SOFA personnel.

- US Forces can authorize the establishment of home businesses IAW Service regulations.

  -- Limited to SOFA to SOFA sales/service transactions.

  -- Not subject to Korean regulations, licenses, fees, or taxes. May be subject to US taxes.

  -- Can include employment as domestic help (housekeeper, nanny, gardener).

  -- Home-based businesses must be authorized by the installation commander.

- There may be legal liabilities associated with conducting any home-based business.

  -- For example, if the activity causes injury to a third person, the business owner may be held liable for damages. Likewise, if the activity causes damage to government property, the member is liable for the damage under Service regulations.

  -- SOFA personnel should carry appropriate liability and renter's insurance.

- Use of the APO for conducting any business activity is not authorized.

- SOFA personnel can teach English at a school or teaching institute after obtaining the proper employment visa.

-- Private tutoring of non-SOFA personnel by non-Koreans for pay on or off post is illegal under Korean law.

-- Private tutoring on a voluntary basis without compensation is permitted and encouraged.

RECOMMENDATION: None. For information only.

APPROVED BY: Arnold P. Montgomery
Colonel, USA
Assistant Deputy Chief of Staff