

Dear Representative Nunes and Blumenaur,

I am writing to ask that the International Taxation Committee of the Ways & Means Committee for Tax Reform seriously consider the ACA proposal for reform to Residency-based taxation RBT. See

link: <http://americansabroad.org/files/6513/6370/3681/finalsbrbtmarch2013.pdf>

As one of nearly 7 million American citizens living, working and voting from abroad, and contributing to the economic growth of the U.S. economy, I believe the current Citizenship based taxation regime must be reformed. Current tax policy is negatively affecting this important sector of American and their ability to compete for jobs, grow the US economy through international business and exports, and live overseas. Current tax policy damages both individuals and the welfare of our country.

My wife and I are both Americans and have been living and working in Germany and now Switzerland for over 30 years. We have filed US taxes and local taxes every year. I am not a wealthy American living overseas for tax reasons, but a small business owner and my wife is a vice principle in an international school.

The following are some examples of the fallout on Americans working overseas from current U.S. Citizenship based taxation:

- Inability to relocate and work internationally
- Denial of job opportunities or job advancement
- Refusal of entry into business partnerships
- Closure or denial of financial instruments (pensions, insurance policies, bank accounts, etc.)
- Exposure to double taxation or increased tax burden
- Financially ruinous penalties due to broad application of criminal tax evasion regulations on those making simple filing errors due to complexity of the US tax code.

I have been personally affected by this situation. Recently I looked around to find a new mortgage lender. I and an outside firm working on my behalf, checked with six different banks and insurance companies to take over my mortgage. Five of them did not want to give me a mortgage because I was an American. Only one bank would consider me, but I had to deposit CHF 500,000 into one of their savings account. Obviously, I could not do this. Eventually, we had to go back to the current mortgage holder. The rate we got was higher than the rate than we could have gotten at the other institutions.

I can tell you I felt like a second rate citizen and deem it very unfair that I was not allowed to enjoy the same lower rates that others have.

I also believe it would be good for the US economy to for Americans to be able to live globally with out punitive and restrictive tax regulations that make us more expensive, which put us at a competitive disadvantage. This cannot be good for US exports and US entrepreneurship.

Please seriously consider the RBT proposal submitted by American Citizens Abroad (ACA). A move towards a residence-based system, like the rest of the world, not only would it be simpler and fairer for Americans living abroad, but it would actually bring in MORE tax revenue than the current system, which wastes compliance resources for

very little return. RBT would increase United States exports strongly by facilitating American mobility in the global business environment of today's world.

Yours sincerely,

Ronald L. Banks

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