

Dear Rep Adrian Smith and Rep John Larson,

I am writing to ask that the Financial Services Tax Committee of the Ways & Means Committee for Tax Reform to repeal or revise the Foreign Account Tax Compliance Act (FATCA) that is destroying the community of Americans working overseas.

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, FATCA legislation along with FBAR (Foreign Bank Account Report) is having serious negative consequences for those of us working abroad and for the US economy.

American citizens have become pariahs in the international financial community because of FATCA and are being denied financial tools essential for survival.

Business opportunities for Americans overseas are blocked due to the 10% American ownership reporting threshold for start-ups and business ventures

Foreigners are backing away from investments in the US due to the increased oversight, risks and dangers of financial reporting in the United States

FATCA creates a new barrier to U.S. exports as companies, start ups are loath to hire Americans or deal with Americans due to increased exposure to the IRS/Treasury and reporting requirements

FATCA creates systemic risks for the entire international financial community

FATCA puts Americans working overseas at personal and financial risk due to unsecured data transfer of highly sensitive financial and personal information.

I have been personally affected by this situation. I am an American citizen who is currently working as a physician in Canada. My goals at this time are to work hard at my job and create a reasonable retirement plan. Medical education in the United States is a costly endeavour and it takes 12+ years to complete the necessary training. Therefore, physicians are not able to start saving for retirement until we are in our 30s. I am trying to be as prudent as possible in setting up my retirement planning and the current tax laws are causing difficulties. If Americans living abroad are not able to set up reasonable retirement plans due to American tax code, how will America support us in retirement?

Physicians are self-employed in Canada and typically form a personal corporation. I am not able to form such a corporation as it would incur double taxation under current US tax law. I am limited in the types of retirement investments I can make in Canada. Non-US investments and some of the common Canadian investment strategies incur tax penalties in the US. This significantly limits the types of investment I can make.

I have been horrified to hear of recent stories from other Americans living abroad (e.g. unable to open bank accounts). The current tax laws are a violation of our basic human rights. We should not have to disclose our citizenship to banks, employers, etc. and then be penalised for the same. What will happen if I want to

changes banks or change jobs? Will I be allowed to or will I be limited by my citizenship?

Please repeal or revise FATCA and 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, would resolve the issues of FATCA and FBAR while creating a simpler and fairer system for Americans living abroad and increasing more tax revenue than the current system, which wastes compliance resources for very little return.

Yours sincerely,

Erica O'Neal, MD