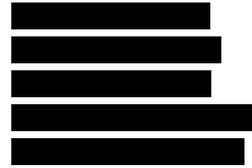


Lloyd Fletcher



March 30th 2013

ATTN: International Tax Reform Working Group

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 American Citizens Abroad 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 Americans 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.

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 am personally affected by this. Having to cope with the two most complex tax systems in the world (the US and the UK) is both personally costly and deeply stressful. I spend thousands of dollars each year on professional tax advice to ensure that I navigate the tax codes correctly, as the consequences of even inadvertent error could be ruinous. This is not because my financial affairs or investments are complex: they are not. I draw a modest college teaching salary, supplemented by straightforward interest, dividends and capital gains; but the equivalent of my wife's entire annual (part-time) salary is consumed by tax advice and preparation fees. Effectively, she has to work just so that we can file US tax returns for me and my children. Although I already spend many hours on filing as an overseas American (including the duplicative and intrusive FATCA and FBAR), I could not cope without professional advice, due to the knowledge required to deal with the system of US taxation imposed on top of the system of the country in which I am resident.

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,

Lloyd Fletcher