

March 25th, 2013

ATTN: International Tax Reform Working Group

Dear Representatives Nunes and Blumenaur,

I write to request that the International Taxation Committee of the Ways & Means Committee for Tax Reform adopt the American Citizens Abroad (ACA) proposal for reform to Residency-based taxation (RBT).

See link: <http://americansabroad.org/files/6513/6370/3681/finalsubrbtmarch2013.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. It is an unfair law that has no moral justification. Current tax policy damages not only individuals like me but also 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 (mortgages, bank accounts, etc.)
- Exposure to double taxation or increased tax burden
- Ruinous penalties for errors owing to an overly complex non-resident US tax code

I have been personally affected by this situation. I receive no salary compensation from the United States and yet I have to pay nearly 10% in my salary income in US taxes on top of the full taxes that I must pay the Swiss government as a full-time resident of Switzerland. Absurdly, as opposed to any American citizen living in the US, I have to pay taxes now on my employer's as well as my pension contributions even though I will not have access to this income until after I retire, or ever if I pass away early. I resent this as being one of the most unfair situations I have personally experienced, and this the doing of my own country! I should also add that last year, I paid 2800 US dollars in fees for one of the very rare tax accountants who understand both Swiss and US taxes.

Please seriously consider the RBT proposal submitted by ACA. A move towards a residence-based system, like for the rest of the world, not only would 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,



Nouria Hernandez
Professor and Director
Center for Integrative Genomics

