

Attention: International Tax Reform Working Group

Dear Representatives 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 the nearly 7 million American citizens living, working, retired 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 U.S. tax policy and regulations are damaging, both to Overseas Americans and to the well being of the United States.

I am one of the many Overseas Americans who are retired. We are existing, on Social Security Retirement benefits and a U. S. Dollar that is extremely weak. I own the house that we live in. The possibility that we might sell this house, and then be taxed, by the United States government, on *phantom income* related solely to the devaluation of the U.S. dollar, is incredibly frightening to me. We would need to pay money that does not exist, on a phantom gain. It would be impossible for us to pay that tax on that phantom income, because we would not have money to pay it.

My daughter is 12 years old. She is also a U.S. Citizen. After my death, she will inherit this house. If with time, she sells the house and there is *phantom income* related solely to the devaluation of the U.S. dollar, she will also face an impossible situation and she will not be able to pay the tax on that phantom income.

Please seriously consider the RBT proposal submitted by American Citizens Abroad (ACA). Changing, to a residence based system, like the rest of the world uses, 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.

Sincerely yours,

Lanny Marcus