

I am a US citizen who has lived in Brazil since 2000. I have filed income US tax returns and paid all required US taxes annually, and intend to continue doing as for as long as I am required by law.

At present, I plan to continue living in Brazil at least until I retire, if not for the rest of my life. I have opened a business here which is successful and which I plan to maintain until my retirement.

I also plan to remain a US citizen, and merely a resident alien of Brazil, for the rest of my time here.

I pay income taxes in Brazil, and my business pays income taxes, employment taxes, and a slew of social program taxes. Between personal and business taxes, my overall Brazilian tax burden is quite substantial.

Having to pay income tax and/or self-employment tax in the US over and above my tax obligations in Brazil is very burdensome. In addition, having to pay US taxes when I have not lived in the country for 12 years and do not plan to live there again for at least another 18-20 years, if I ever live there again at all, strikes me as fundamentally unfair. I have many expatriate friends here in Brazil who are citizens of other major industrialized countries around the world and to my knowledge, none of them is required to either file tax returns or pay taxes to their home country while they are residing outside of that country.

I also note that merely having to file a US tax return every year is an extreme burden for me. As a partner in a Brazilian law firm, I cannot file a 1040EZ simply reporting my income, but instead have to file a full 1040 along with a Schedule C and other forms and supporting documentation. The majority of the relevant IRS materials are complicated and written with examples that assume taxpayers live and work in the US. Further, my company's accountant is a Brazilian who does not speak or read English and is not familiar with either US accounting principles or tax laws, and thus cannot assist me at all in preparing my US returns. There are few, if any, accountants or tax advisors in Brazil who are qualified to assist with US taxes, and those who are here are prohibitively expensive for a small business person like me. The result is that I spend dozens of hours every year reading, reviewing, translating, and converting values to prepare my US tax returns.

I am strongly in favor of residency-based taxation, rather than the current system. Again, I see it as a question of fundamental fairness. I also see it as part of our nation's growing process, as more and more of our population chooses to live outside the US for business and personal reasons, similar to what happened with so many other major world powers over the centuries.