

ATTN: International Tax Reform Working Group

Dear Representative Nunes and Blumenaur,

I have been a senior executive in several international companies since I left the US Army in the early 1990's, and must say after two decades of observation and experience that the US government's tax treatment of American citizens residing internationally is downright inexplicable.

I have assigned staff overseas, only to have to bear huge internal costs to pay for their personal tax return accounting. Likewise, I work alongside fellow Americans that have, for a variety of personal reasons, decided to reside outside of the US—and in the latter case I have observed first-hand the impacts they experience as a result the IRS code—one that treats Citizenship as the basis for tax treatment rather than one based on Residency.

I am not sure how familiar you or your staffs are with those of us that work for international firms—we essentially are benefactors of international firm 'outsourcing' when we reside in the US, as I have—but when a US citizen resides outside the country they can be: denied job opportunities or job advancement, refused entry into business partnerships, forced to close or denied financial instruments (to include simple bank accounts for living expenses), exposed to double taxation or increased tax burden, and finally, hit with 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.

Does this sound like a policy outcome designed to encourage hiring Americans, or encouraging someone to take a job as an expatriate? Certainly not—to say nothing of the spectacle of showing foreigners how poorly the US government treats its own citizens. If one of your family members walked a mile in an ex-pat's shoes I am sure you would wonder why this situation has not been properly addressed to date.

Therefore, I ask that you seriously consider the Residency Based Tax 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 far more straightforward, not to mention 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. Residency Based Tax would increase United States exports strongly by facilitating American mobility in the global business environment of today's world. Failing to seize this opportunity would be the sad acceptance of the status quo for no reason.

Best Regards,

Stan March
Senior Vice President,
Landis+Gyr

