

I was raised in Madison Wisconsin and my last voter registration was in Los Angeles California, before I moved to Switzerland and married a Swiss in 1994.

Among many others, I am in a difficult situation as an American citizen living in a foreign country. In fact, I have been living in Switzerland for almost 20 years now and I am also a Swiss citizen. Switzerland is my country of residence. I consider Switzerland home and my local bank accounts as my home bank accounts, my US accounts as my “foreign” bank accounts, not the reverse.

The IRS and FATCA folks are now making foreign resident US citizen’s lives challenging. The new laws capture in their nets innocent citizens like me (as tuna fishermen capture dolphins, if you will allow me the analogy). I have filed my paperwork annually, prepared by tax professionals for a fairly hefty price these days. Now with the US dollar trading low against the Swiss Franc for several years, an illusion has been created that those of us living in Switzerland, working regular jobs are wealthy. Salaries and benefits are comparatively high here because the cost of living is also much higher here and the Swiss encourage saving for the future. The IRS now wants to tax monies I have saved for my retirement. This money was earned in Swiss francs, saved in Swiss francs and is liable for Swiss taxes, which I gladly pay as I live here and use the services here. I have no residence in the US, I have no address there. I do have some small bank accounts there of monies saved in the US prior to 1994 and accounts inherited from my mother upon her death in 2010. I pay US taxes on those as those were earned and saved in US dollars on US soil.

I am a proud US citizen although these days it is often difficult to explain and defend US actions abroad. I am sure you are aware US Citizens are giving up their citizenship in droves. So many that the government decided to start charging a large fee just to file! A tax advisor even suggested giving up my US Citizenship so my meager (for Switzerland) retirement income would not be taxed by the US as well as the Swiss. For a third generation American, that is really not a decision I am prepared to make.

Attached please find a document I found on line regarding the *Cost of Living in Zurich*. If you really want to get basic – while you pay \$25 for a pair of Levi jeans, we pay CHF 80-120 for the same jeans.

- We are required by law to have health insurance. There is a minimum coverage that all insurance companies must offer. My basic cost is now around CHF 300.50 per month (with a CHF 500 deductible or franchise). Yes, it goes up almost annually here too.
- All companies have pension fund programs, a certain percentage deducted from your salary and a matching portion from your employer. This is not recognized by the US as retirement savings but rather as part of my income and therefore, again, it looks like I make a high salary, even with the earned income exclusion (which will now disappear with retirement).
- Swiss are encouraged to open a private or personal pension fund into which they can put a certain amount pre-tax annually. The US wants a bite of this as well!
- Federal and State taxes are not deducted from our monthly salary; only social security (AHV) and invalidity insurance (IV) are deducted. That means we must save (set aside) money in an account every year to be able to pay our taxes. This can make it “look” like we have high balances in our bank accounts.

We need a voice to look out for us and defend the “honest” non-resident US citizens in this situation. We need residency based tax consideration. If I were to be “cheeky” I would say taxing us is tantamount to taxation without representation. Isn’t that part of what the revolutionary war was about?

Claudia Wicki

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