

ATTN: International Tax Reform Working Group

Dear Representative Nunes and Blumenaur,

I am writing to ask that the International Taxation Committee of the Ways & Means Committee for Tax Reform seriously consider the American Citizen's Abroad (ACA) proposal for reform to Residency-based taxation (RBT) rather than Citizen-based taxation. See link: <http://americansabroad.org/files/6513/6370/3681/finalsbrbtmarch2013.pdf>

I am one of nearly 7 million American citizens living, working and voting from abroad. I contribute to the growth of the U.S. economy, and I believe the current Citizenship based taxation regime must be reformed. Current tax policy is negatively affecting us, an important sector of Americans and our ability to compete for jobs, save for a secure future, and simply live our lives.

The following are some examples of the fallout on Americans working overseas from current U.S. Citizenship based taxation:

- Inability to relocate and work flexibly.
- Denial of job opportunities or job advancement.
- Closure or denial of financial accounts (pensions, insurance policies, bank accounts, etc.).
- Essentially no options to plan and save for the future.
- Double taxation and increased tax burden due to incompatibilities in tax laws.
- Financially ruinous penalties from broad application of criminal tax evasion regulations on those making errors due to complexity of the US tax code.

I have been personally affected by this situation.

I am an American Citizen who, like many, went overseas on an adventure 15 years ago. Life happens and I met my current spouse (non-American) and we live and try to create a secure life for ourselves. Every year I am faced with a mountain of paperwork to do what no American in the US would have to do, and no other person of non-US nationality would ever be required to do, regardless of where they lived: that is to settle my tax obligation in my residence country then file and pay again to the US, as well as to report on every account and every cent that I have.

Moreover, I've been refused banking service and have had one bank close my relationship, claiming it had become too complicated to serve Americans.

US citizens overseas are also not entitled in the eyes of the US to the tax deferred retirement vehicles of their country of residence, depriving them of the rights that any US resident naturally has to the security of a 401k, company pension, or IRA.

May I have a tax-deferred pension plan too, please? RBT would solve this.

Please seriously consider the RBT proposal submitted by American Citizens Abroad (ACA). A move towards a residence-based system, like the rest of the world, would be simpler and fairer for Americans living abroad. RBT would increase United States competitiveness by not putting its own citizens at an intrinsic personal disadvantage when trying to function in the global business world.

Yours sincerely,  
Matthew Wright

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