

15 April 2015

Addressed to working groups:

Individual Income Tax: individual@finance.senate.gov

International Tax: international@finance.senate.gov

Dear Senator Hatch and Senator Wyden,

I am a South Carolinian currently living and working in Lausanne, Switzerland, and write to you to draw attention your attention to the burdensome secondary effects U.S. tax policy has on U.S. citizens abroad. I am three years into a four year post-doctoral engineering position after which I intend to return to the U.S. These are my observations from living as an American in Switzerland:

- Banks here will now not open ordinary private accounts for U.S. citizens who do not yet have a residency card. **I was thus denied banking services for over a month**, complicating my ability to rent an apartment, obtain telephone service, and receive my salary. I was dependent on my lab to loan me an apartment deposit which needed to be paid by domestic wire transfer.
- **U.S. citizens are now at a substantial disadvantage in relocating** and establishing banking services across international borders relative to citizens of nearly every other country. In 2006, prior to FATCA, I was able to open an account in France on my second day in the country showing only my passport and temporary address. This is what I could expect today, if it were not for the interference of my own government in the lives of citizens abroad.
- Over my three years here, the number of banks here that accept U.S. citizens at all has dwindled. I know one couple here who received a letter indicating that they would be required to close their personal and business accounts, which they have held for 30 years, due to U.S. citizenship. Another couple has told me that **they will consider renouncing their citizenships** if the banking situation continues to degrade. The fact that people feel compelled to renounce citizenship to avoid not taxes but merely *tax law* is an extremely poor reflection upon our country.
- U.S. citizens are effectively excluded from some professional, entrepreneurial, and charitable roles due to FATCA reporting requirements on accounts over which one has signature authority. People in U.S. organizations would resent a foreign national who reported confidential bank balances and account numbers to a foreign government for analysis, so it should not be difficult to empathize with the reverse situation. **This excludes me from things as simple as being the treasurer of my local church** as well as from certain roles in employment.
- **Tax enforcement is also prompting U.S. companies to avoid Americans living overseas.** Three years ago I changed my address on a retirement account containing retirement benefits from previous employment in South Carolina. Last month TIAA-CREF notified me that my trading may be restricted due to their inability to comply with the local laws of my foreign residence. Compliance with foreign law didn't concern them until the U.S. set the precedent of punishing foreign institutions for the crimes of U.S. citizens against their own government. The effect is that citizens subject to multiple tax jurisdictions are being squeezed out of banking and investment options from both sides.

I don't doubt the genuine national interest of prosecuting tax evasion, but sacrificing the rights and freedoms of citizens living ordinary lives for the expediency law enforcement violates the principles upon which our country was founded. Citizenship in our country has historical been the most sought after on earth, because of our freedoms and commercial opportunities, but is quickly becoming a liability for those living elsewhere either permanently or temporarily. I thank you for your ambition in tackling necessary reforms to our tax law and implore you to consider these implications for citizens overseas.

Sincerely,



Brian P. d'Entremont