

12 April 2015

Finance Committee
International Tax Working Group

Dear Senators Hatch and Wyden,

I am a US citizen and have been living in Switzerland for the past six years as there were more research opportunities here than in the US. I would ask for you to look carefully at the logic behind the international tax policy.

I had no idea that US citizens were taxed regardless of where they worked until coming here, I believe only three countries in the world have such a rule. I do appreciate the bilateral taxation agreement with Switzerland, but have consistently found that I need about 4 hours of filling out forms, plus paying HR Block \$100 to arrive to a zero balance. This is partially due the confusing dual option of a foreign earned income and housing exclusion. Another frustratingly pointless section of the return is filling in all dates in the US, even though I have no earned income from these days. I would ask, if possible, to simplify this form as much as possible. At the moment, it is a lot of wasted time to arrive to zero.

The main financial issue I have is with the AGI. My salary is about \$100k and by Swiss standards that is middle class. However, by US standards it is higher. (Consider the "Big Mac Index", it costs \$7.54 in Switzerland vs \$4.79 in the US.) The IRS applies the US standard (reasonable) to Swiss income (unreasonable); this means I cannot contribute to any IRA without penalties. Thus I have no retirement savings for the past years. I also do not get any reduction for student loan or mortgage interest. It would be fairer to adjust my salary to the US equivalent (probably about 60k), before making what is now an arbitrary adjustment.

Thank you for your consideration.



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