

Dear International Tax Working Group,

I grew up a proud American Gen X girl in Cleveland, Ohio. My parents are flesh and blood examples of the American dream having put themselves through community college and pulling their family out of poverty. I got a partial scholarship which allowed me to attend a prestigious private university. It was a stretch for our family, and I still have heavy student loan debts. University allowed me to meet and fall in love with a young man from Australia who was traveling around the world. A typical Australian backpacker, he had barely two pennies to rub together, same as me. We married and moved to Australia where he had the best chance of work (because his qualifications were meaningless in the US).

Currently we live in a place where the cost of living is one of the highest in the world. And the cost of servicing the mortgage on our very modest three bedroom, one bath home takes over 40% of our monthly income (real estate is incredibly expensive in Australia). Together, we earn less than US \$80,000 a year. We are just your average middle class young people trying to make a go of life. We don't have anything to hide because we don't have much at all.

Every year, I have to spend over twenty hours of frustrations and \$475 (AUD\$600!!) which costs to have my American taxes prepared (as well as the AUD\$200 for having my Australian taxes prepared). I have hired two different American tax accountants because of the massive amount of information and disinformation which floats around the internet about the legalities of filing your US taxes each year. The fear of failure and the financial cost are very heavy burdens which I must carry with me each tax season.

I also worry about my future should we decide to stay in Australia. Here, we are mandated by law to put 9.5% of our salary package into our qualified retirement accounts, (superannuation). But the US government does not recognise this account as a retirement account and I fear how much of it I will lose to taxation when I retire. I have no choice in either side of the equation and it presents a frustration and great fear for my future.

Dear lawmakers, I respectfully request that you strongly consider the case for residency based taxation. With the exception of Eritrea, every other country in the world provides support for their citizens overseas even though they don't pay taxes to their home country. For example, we know of several Australians who after living in the US for over twenty years (and having never paid any tax to Australia in that time) experienced a health crisis and flew back to Australia to take advantage the free health care. And America doesn't even have this problem to worry about.

At the very least, you could strongly consider changing the definition of a US person in section 7701(a) (30) of the federal tax code such that if a person meets the bona fide or physical presence test for two or three consecutive years, they are no longer considered a US person for federal income tax and reporting purposes. This would provide great relief to myself and my fellow Americans here. It would provide both financial and time relief as well as peace of mind that they can continue to live out their lives without fear of reprisal for their choice of home.

In addition, FATCA is extremely cruel to those of us who have shared lives and bank accounts with non-US partners. It is reasonable and just that we should be able to hold bank accounts in our country of residence without reporting them yearly to the IRS. It is not reasonable or just that we are prevented from opening accounts with banks because of our status as US persons. My own bank has sent me advertisements for various banking products which have an asterisk: “\*Not open to US citizens or permanent residents.” Due to FATCA, I will never be able to buy any of these banking products such as stocks and bonds. I am actually prevented from bettering my situation due to cumbersome and harsh reporting requirements. I have heard that many banks are completely refusing US persons as customers. While this is not currently the case for me, I do daily live in fear of the day I will be trapped in a country where I can have no access to banking facilities.

I don't know any Americans here who are not just average, middle class families looking to live a quiet life in peace. I have nine American friends living in Adelaide who all have happy, full lives with partners, jobs and children and they don't have time to write to you because of this. But they have all asked me to include their support in this letter.

Thank you very much for taking the time to consider this submission and to envision how our lives as expatriates who are proud Americans are truly and unjustly impacted by the current tax system.

Sincerely,

A handwritten signature in black ink, appearing to read 'Julianne Rogers', with a stylized flourish on the left side.

Julianne Rogers