

## Input on Individual Income Tax Reporting Burden for Americans Living Abroad

I grew up in a modest single-income household, and every year my father carefully prepared our tax return by hand with a pencil and a calculator. The arithmetic wasn't particularly complicated, and he wasn't looking for any loopholes or exceptions, so I grew up with a basic understanding that taxes are straightforward and my university mathematics degree was more than adequate for doing the calculations.

However, shortly after graduating from university, I moved overseas with my job as a computer programmer in the oil industry. I was lucky that the first year my company paid upwards of \$1000 to file my US tax return, and I scoured every line of every page and worksheet of my tax return so that I could understand how to fill them out the next year. As a recent graduate, \$1000 would be a noticeable percentage of my annual salary, and not one I could afford to spend on tax preparation.

I have now been living abroad for over a decade, and the more time I spend, the less certain I become that I'm filling out my taxes correctly. Every year I gather with a group of fellow Americans in a friend's living room, and we spend the better part of a weekend reading tax forms and discussing which numbers from our Norwegian tax and salary statements we think we should put into our US tax forms. Every year we find something to question and stifle the panic that we've done something wrong. Living in a country with very high taxes, we're not worried that we might owe more money; we're worried about the potential workload and legal issues we might face, simply because we made a mistake.

I often wonder how other people even manage. Between us we all have advanced degrees in math and science, and we work in a logic-driven industry every day. The forms themselves read like the programming statements we are familiar with, yet we still struggle to complete them correctly.

In the end, an average tax return lands at over 15 pages, and the cost of postage alone tops \$30 to ensure that it makes it home. None of our returns generate a noticeable amount of tax revenue, yet the IRS must pay for employees to data enter and audit them.

This year my luck finally ran out, and I faced the dreaded audit of my international tax return. I was now faced with the burden of proving the fact of my everyday life - that I live, work, and pay taxes in a foreign country. I spent days acquiring and compiling the requested documentation, which totaled over 200 pages and had to be shipped via parcel service as it was too bulky to be considered as letters or documents. I even had to fill out a customs declaration form for it!

Now with the addition of the FATCA reporting, we have an even larger burden. This is very much a problem for Americans like me who live overseas, and who have foreign accounts

simply to pay their bills and buy their groceries. Nearly all of us are just living normal lives and not trying to launder money or cheat on our taxes. However, we have a small and scattered voice and do not get much notice at home. While these policies sound good in political speeches, they have serious consequences on everyday American citizens.

Sincerely,  
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