Dear Sir or Madam,

Thank you for the opportunity to share my thoughts on the treatment for tax purposes of US citizens livings of abroad. I love my country but for personal and professional reasons I have lived in the United Kingdom for the last 10 years and I anticipate continuing to do so for the foreseeable future.

I continue to file taxes in both the UK and the US, as I am required to do by law. Fortunately, tax treaties do exist and the bulk of my US tax liability is offset by my payments of US taxes. But, alas, there is waste. There are some instances where the tax codes are not parallel which results in some tax liability in the US - maybe a few thousand dollars in past years. Surely the IRS incurs far in excess of this figure to check my taxes and file my paperwork. Add to this the cost of having my US taxes prepared - you would, too, as no US tax software is equipped to deal with expats - and the revenue generated by the US has been exceeded threefold by the cost incurred by me and the IRS.

Over the past few years, the obligations of an American expat have only grown worse and I have become increasingly frustrated by the US government's treatment of the wider expatriate community in order to catch a few tax dodgers. Examples of this include FBAR and FATCA which I must believe exist only to catch the big ticket tax evaders but in its zeal the US government's wide net is catching a lot of small fish. The implications of FATCA mean that my bank would prefer I take my business elsewhere and for my friends going abroad only now the ability to open a bank account where they live - abroad - is nearly impossible.

Adding to this is my future financial well being in retirement. The US does what it can to assist the elderly through the Social Security program and for this I and many other Americans are grateful. But efforts for Americans abroad to themselves save for their retirement is penalised by the US tax system which sees only US pension schemes as tax beneficial. UK schemes such as ISAs are taxed despite being a pension saving scheme. Could this be reconsidered?

The words of this letter might fall on deaf ears - or blind eyes - however I do hope that they are considered and that the current tax treatment of US citizens abroad will improve.

Many thanks,

Diana Diaz-Luong
[redacted]
London, UK