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16th March 2015

Dear Senators Hatch and Wyden and members of the Bipartisan Tax Reform Working Group,

RE: Please End Citizen Based Taxation

Suggestion: **End citizen based taxation and move to residence based taxation** (like the rest of the world except Eritrea, who your country condemns for this very practice.).

Here is my situation: An Example. I am quite typical.

I am a 35 year old British Doctor working in the UK National Health Service. I was born to British and Danish parents in the US while my father worked there for a couple of years. They returned home to the UK when I was four years old in time for me to start school here. I have been to school here and to university here. I have a British partner and child.

I grew up here in the UK with no ties to the US, no friends or family there. I have never been to the US as an adult.

I have paid taxes in the UK all my life. I am an active and honest member of UK society – I work as a doctor here and I vote here etc. It is my home and I plan to remain here. (And certainly have no intention of moving to the US!)

Last year, my partner and I planned a holiday to the US. I knew I was a US citizen at birth but was under the impression that my citizenship would have expired by now. I planned to travel to the US on my British passport with a tourist visa. It came to light, whilst arranging this trip that I was still a citizen and from there I heard about the nightmare that is being a US citizen abroad.

I have calculated my tax for the last 3 years and the amount I owe to the US government is $0.

My life has been an utter nightmare for the last year nonetheless, despite the fact that I owe the US nothing.
Until last year, I had no idea about US tax returns or FBARs and trying to understand that I had obligations to your country provoked both terror and outrage in equal measures. How would I know? I had left at the age of 4!

Difficulties that I am facing in My Own Country
It is just a brief summary, there is much more I could say.

- I have been threatened several times with the closure of bank accounts that I have had since childhood. Though it has not yet come to pass, it is very frightening and may happen. I do not dare eg to open any new accounts or get a new mortgage until I have expatriated.
- My partner and I were planning to marry last year. Even with a relatively modest income (I earn almost exactly the UK average salary), the complexity of US tax returns were such that it was much easier to do it as an individual. So we have felt it necessary to postpone our marriage until I have successfully expatriated in order to prevent the situation being more complicated.
- I am also, due to the inconsistencies between US and UK tax law around housing, effectively unable to move house. This is potentially problematic as being a doctor for the National Health Service is a job where you are often required to work in different places.
- I have not slept well for 8 months due to the worry about the above. I have also been made to feel like a criminal. It is deeply offensive. I feel angry every time the words 'overseas' or 'foreign' or 'abroad' are used to refer to my life here in the UK. I am here, at home, in my own country. From my perspective, it is you americans, who are foreigners, and trying to take my money overseas and abroad! To my mind, there is nothing morally acceptable about this what your country is doing. I am unrepresented in your country.

Difficulties Expatriating

I would very much like to expatriate however this is astonishingly difficult and here are the key reasons why it is difficult, time consuming and expensive:

- The cost of an accountant to do Streamlined Procedure is unaffordable for most people. I got several quotes, consistently approx **to 4 months take-home pay** (to fill in 3 years of tax returns showing zero tax!) I have a mortgage and childcare to pay – no way. Have to do it all myself so need extra days off work and to arrange childcare so I can sit in front of the computer for hours.
- It is very difficult getting information from the IRS in the UK. Calling your IRS helplines in the US is not much use because they tend to say things like, "Um, that sounds like a British thing, I'm not really sure." The IRS in London was very helpful, but has now been closed so there is really no hope any more.
- It is very time consuming and difficult getting a social security number. First I had to get a copy of my US birth certificate from the US. Then I had to attend the US embassy to fill in a questionnaire saying that I had never been to school in the US/Voted in the US/got benefits in the US etc. The I had to contact my GP surgery (family doctor) and pay someone to go through all my health records since the age of 4 years to prove that I had lived in this country for all that time. Then I had to wait for a social security number, which took more months. The whole process has taken nearly a year. Now I am having to send you this information despite having proved at some length that I have had very limited contact with your country!

- For FBARs it is hard to get required information about bank accounts 7 years ago. UK institutions are only obliged to hold 6 years worth of information. Getting information for 2008 is really timeconsuming.
- NB in his budget Obama proposed rules to help people like me expatriate. They are of very limited use, however as people were actively encouraged to have US passports and one of the conditions is that you have not held a passport. Eg I travel on my british passport. However, my parents were told that I have had to have a US passport as a child. So I have held one. I have travelled on it once from Britain to Denmar (I am a citizen of both countries). So now I would not be excused from being a covered expatriate. (I am not a covered expatriate anyway as I don't have enough money, but the point remains…).

Costs to me personally (financial, emotional and opportunity):

- Time needed to fill in forms/travel to US embassy/contact banks – either unpaid leave from work or needing to pay for extra childcare. **Approx financial Cost $1500 and still rising.** But cheaper than accountant.
- A year feeling very frightened and angry,
- Scared that bank accounts are going to be closed
- Couldn't get married,
- Can't move house (without paying so much in tax for the sale of my home that I can't afford to buy another house as the market in the UK has risen massively),
- My two year old very unhappy and anxious about extra time mummy is spending working
- Cancelled holiday (did not dare or want to travel to US once I found out about this). **Approx financial cost $1000**
- Proof that I have lived in UK since age 4 etc. **Approx financial cost $180**
- **Expatriation fee (not paid yet) $2350**

So, Cost to me including expatriation fee **$5030**
So approx. total financial cost for a person on the UK national average salary to do streamlined process, expatriate and get on with their life is **over $4000** without the assistance of a lawyer or accountant and **$13000** with a lawyer or accountant.
To put this in context, my salary is $40,000 per annum.

Benefit to to your country: $0

Please, End This.

Yours sincerely,

Dr Eva Stigaard Laird