[redacted]

April 12, 2015

To whom it may concern,

I understand that you have taken up the question of the payment of US taxes by US citizens who are not residents of the US. Thank you for your consideration of this matter.

I am a university professor/researcher who has lived in Europe continuously since 2000, first in Denmark and then in France. Currently my earned income is roughly two thirds of the limit of the income exclusion. I have submitted tax forms each year, as well as submitting the FBAR forms as required. During the 11 years that I lived in Denmark, my employer contributed on my behalf to a non-governmental annuity pension plan, as is standard in Denmark. I have also put aside some money in personal retirement savings accounts in banks in Denmark and France, depending on where I was living at the time. I have voted in all major US elections over the past 30 years.

Here are some issues that I find burdensome and perplexing:

- When I worked in the US, I was not taxed on health insurance paid for jointly with my employer and for retirement savings paid for jointly with my employer. Living outside the US, I am liable for tax for these amounts. Furthermore, for the retirement savings, I am liable for tax on the interest these accounts earn over the years, even though I have no access to this money until I reach retirement age. At that time, I will have to pay more taxes on the same money as the retirement income is disbursed.
- An important part of being a researcher is attending conferences. In my field, many of these conferences take place in the US. I derive no financial gain from attending a conference in the US. My employer also derives no financial gain from my attending such a conference. I pay full taxes to the country in which I reside during the days when I attend a conference in the US. When my non-US colleagues attend conferences in the US, they pay no taxes to the US. But I have to keep track of the number of days I am in, or even flying over, the US in the process of attending a conference, and I am not able to exclude the income earned on those days. It is true that I can, by filling out very complicated forms, obtain a credit for at least some of the taxes paid to my country of residence for those days. But the formula, which I don't really understand, seems to not allow obtaining a credit for the amount of income that is covered by the standard deduction, even though one has already paid taxes on that income just like the rest.
- When I first moved to Europe in 2000, the FBAR requested coarse grained information about bank accounts, such as maximum balance up to $10,000. Now it asks for exact amounts. My bank doesn't provide this information. For savings accounts that just accumulate, the year end balance is sufficient. For my daily use account, where the balance goes up and down, however, I have to check each of the reported monthly balances, guess which month may have the highest balance, and then calculate by hand the balance for each day. This seems like a complete waste of time. Note that now due to my reasonable retirement savings, I have to fill out form 8938 each year, with the same information, in a different format.
- Help with all of these matters is unreasonably expensive. When I moved from Denmark to France I first out rented my apartment in Denmark, and then sold it, creating a tax situation that was not immediately clear to me. I enquired at some recommended accountants in Paris, and was told that the price for doing my taxes, given the above situation, would be between $2000 and $5000, assuming that I would have all of the records in order, and that I would not be needing to fill out the form 8938.

However, in practice I would have needed to fill out form 8938, as noted above. Paying more than a month's salary to have my tax form filled out did not seem like a reasonable option.

Currently, each year I spend minutes on my French taxes - basically going to a website and indicating that I approve of the pre-filled form that they have sent me - and days on my US taxes, with the help of TurboTax. The result that TurboTax comes up with seems to be essentially random, but I hope for the best. I realize that, except for the fact that I do vote in the US, the US government has no particular reason to care about my situation. But perhaps it is not clear what is the benefit for the US government for making the rules so complicated. Giving 100% credit for foreign taxes paid, allowing all earned income up to a threshold to be excluded, treating foreign pension and health insurance programs the same as their US counterparts for people living abroad would be a step in the right direction.

Sincerely,



Julia Lawall