Karen Jochimsen
[redacted]

Münster, April 13, 2015

International Tax Subcommittee Members
United States Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

**My experiences with FATCA in Germany**

Dear members of the Working Group:

I am a former Fulbright grantee (Travel 1994-1995) and have directly benefitted from the myriad of gifts taxation in the US can offer its citizens. I have resided in Germany full-time since 1997. Every year, I have diligently submitted an income tax return, even though my earnings fall far below the allotted threshold. When I married my German-national husband in 1999, we opened the German version of a joint checking account here, and have since opened a joint savings account. We have added two children to our family, dual nationals. Suddenly I am very concerned with how FATCA will affect me in the future.

German privacy laws prevent banks from disclosing data to third parties without my express consent. FATCA requires foreign banks to report on all of my holdings – and my husband's as they are jointly held. I have read reports in local media of banks refusing to do further business with Americans because of their legal dilemma. Please allow me to tell you what this would mean to me, if I were forced to give up my foreign bank accounts due to this law:

- I would become completely and utterly financially dependent on my husband. My husband would have sole control over all of our assets. Let me point out that my home state of Massachusetts passed the Married Women's Property Act in 1855, allowing women to control financial assets. Germany finally followed suit in 1958, but FATCA would effectively propel me back to the early 19th century, at least financially.

- Furthermore, I would be forced to give up my job and its meagre earnings. I work part-time for my husband in his orthodontic practice. German law states that, to combat fraud, spouse employees must have their earnings deposited into an account held in the employee-spouse's name ONLY. Since strict enforcement of FATCA would force some banks to cancel expatriates' accounts, I could be forced to quit my job, also thereby stripping me of my affordable health insurance. I would then have to find new employment, highly unlikely given that we have young children, and most German employers are unable and unwilling to grant new employees the flexibility needed when children are so young. Even then, my earnings would have to be deposited into an account held only by my husband. What would happen to me if my husband died? Would my minor children (currently ages 5 and 8) control my finances? What about those expatriates in abusive relationships? Strip them of their financial freedom and they are truly lost. What about unmarried persons?

- Thirdly, I am concerned about my children. As dual-nationals they may or may not be accepted as new account holders at any German bank. Again, this is subjecting them to an arbitrary decision of any given bank, whether they will accept US Americans as clients or not, thereby limiting my children's banking choices to a potentially small pool of institutions that may or may not have the best banking options for them.

I would like to ask the committee to reconsider the definition of a US person in section 7701(a)(30= of the federal tax code. Although I do not object to submitting a return to the IRS, it is neither easy nor inexpensive for many expatriates. I generally spend a maximum of 4 weeks each year in the US, often less time than that, which in no way meets the current residency requirements.

I understand why Congress wants to enforce FATCA – to catch the "big fish" who, for far too long, have gotten away with tax evasion. But the wording of the law is too punitive for the regular American citizen residing abroad. I do not want to give up my citizenship, and a poorly written law should not force me to consider making such a drastic step.

Thank you for your time.

Sincerely,

Karen Jochimsen