My comments concern:
Chapter 6 J of the Senate Finance Committee's Republican Staff Report, "Comprehensive Tax Reform for 2015 and Beyond":
file:///C:/Users/Jaquie/Downloads/Comprehensive%20Tax%20Reform%20for%202015%20and%20Beyond5%20(7).pdf

Background: US citizen, retired Citibanker with 36 years' service in the USA, Switzerland and the UK. Wife (of 50 years) is Swiss, daughter and grandchildren also Swiss. I and my entire family live permanently in Switzerland.

An Exit Tax is a Punitive Tax intended for Americans renouncing their Citizenship

- Most US citizens living abroad pay little or no US tax since foreign tax credits available via Treaties and/or Section 901 of the Internal Revenue Code offset most or all of the US tax in order to avoid double taxation.
- Residence based tax would also generate little or no US tax so it would be revenue neutral for the IRS. In fact withholding tax on US Qualified Dividends would actually be positive for the IRS.
- Therefore there is no justification to impose an Exit Tax on US citizens wishing to remain American since this would be punitive, additional and **not** a replacement tax. This would most certainly result in double taxation of US nationals who prefer to remain American without any possible credit or deduction.
- An Exit Tax, in my case, would force me to liquidate my IRA and pay tax on the present value of my US pension whereas remaining as a citizen based tax payer, US tax on all of this income is offset by foreign tax credits under the US Swiss Treaty.
- An Exit Tax would also discriminate against individuals being assigned abroad for several years or for an indeterminate time who intend to return to the US at a later date.

An Estate Tax Exclusion intended for Nonresident Aliens (NRAs) would be Punitive

- Many Americans overseas, unlike most NRAs, have worked in the US and have substantial US assets consisting of an IRA and US pension as in my case, and perhaps a house or apartment.
- For US income tax purposes a residence based taxpayer would be treated as an NRA, but it is important that for estate exemption purpose he or she should be treated as other US citizens.
- The NRA exemption is $60,000 compared with $5.3 million currently for US citizens.
- An NRA exemption would be catastrophic for my family and others in my situation.
- For those individuals who expect to change residence from foreign to US or vice versa, it would make estate planning impossible.

Becoming a Residence Based Taxpayer should be optional not mandatory

- Tax implications for individuals subject to residence based tax who plan to return to the US could be extremely messy.
- Individuals living in countries such as Brazil without a treaty would be subject to significant withholding tax on US income with little or no local offset.

Kenneth S. Thompson
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