Senate Finance Committee call for public comment

I am among the now 7.6 million Americans living and working abroad. We "overseas Americans" are good law-abiding people who are overseas simply because our jobs are overseas – in my case, I'm in France:

Ohio address: [redacted] Granville, OH [redacted] USA	France address : [redacted], [redacted], France

Being far away, I all too often feel that we overseas Americans are forgotten when legislation is being crafted. Two of the Senators on the committee are from Ohio, Mr R. Portman and Mr S. Brown. It's possible to communicate via Internet with Mr Brown … and I have done so – thank you … but not so with Mr Portman as he requires a local phone number be provided. **Being an American should be based on what's in your heart**, not what your address is.

I believe the United States should join the rest of the world and **convert to *Residency-Based Taxation***. This would put US persons on a par with citizens of other countries. The compliance costs for US persons abroad are daunting! What I owe in tax is miniscule –and often times zero - compared to the hefty bill I receive from my tax attorney who charges $500 per hour – and it usually takes him 4 hours - to fill out all the papers.

On one occasion, I tried to contact the IRS in America directly – it took twelve hours of making international phone calls over a two-day period in order to get the answer I needed. I got passed from one agent to another – 11 in all! – and had been put on hold - *"wait time estimated from 30 to 60 minutes – don't hang up because you are in a waiting line!"* – so long that the wait time was once longer than my phone battery lasted! - It was a nightmare.

I have received notices from banks where we have savings accounts for our retirement indicating that they no longer want "US Persons" as clients. As a result, I tried to open an account in another bank and was refused as soon as I answered that I was born in the US. These financial institutions essentially refused me accounts based on my nationality: one message that appeared on the computer screen was "NO TO US PERSONS" in big red letters. When I went back in order to document this refusal, the message had cleverly been changed to "TECHNICAL ABNORMALITY" … but the result (refusal) was the same. Other banks have kept me as a client (so they can collect their annual fees) but deny certain products and services to "US Persons". Being tough on banks with Dodd-Frank and FATCA has merely been turned around by banks … now they are being tough on US Persons.

FATCA should only apply to (1) **US residents** with foreign assets and (2) US persons abroad with assets in a country **other than the US or their country of bona fide residence** over the same aggregate threshold as now applies to US residents.

With respect to reporting obligations imposed on foreign financial institutions, only their **non-resident** clients' accounts should need to be reported. If you live in France and have an account in France, that should be exempt from reporting requirements. The very concept of "foreign account" should **not** apply to the accounts I maintain and must have in the country of my residence in order to pay local taxes, save for retirement, finance my children's education, pay household bills and receive my salary. If an American person lives in Pittsburgh, it's perfectly OK to have an account in Pittsburgh … Why, if an American lives in Paris and has an account in Paris, is it **not** OK? These laws currently do not make any sense.

I would recommend:

- Converting to Residency Based Taxation, just like the rest of the world has done … or at the very least:
- Simplifying the process: France's income tax form is the front and back of only two sheets of paper… and a lot of the required information is pre-filled in because the banks communicate with the government.
- Raising the threshold for having to report income. (we school teachers earn a lot less than the "big bankers").
- Eliminating reporting requirements on accounts held in the country of bona fide residence abroad.
- Requiring filers to give ranges of values for foreign accounts rather than highest values, as was the case until 2003.
- Those who file FATCA form 8938 should be deemed to have filed FinCEN Form 114.

Thank you.

Respectfully submitted by Linda Burns Pollet