Mihaly Lenart
[redacted]
March 20, 2015

Finance Committee
United States Senate

Re: Individual Income Tax; American Overseas and dual citizens – Input to Senate Finance Committee

Ladies and Gentlemen,

Thank you very much for your solicitation of input from Americans on how to address fundamental issues in our individual taxation system for United States Citizens and Residents.

I write to you as a dual, United States and German, citizen residing in the US. I reside in Florida and have done so since 1986.

There are two issues that are critical to me as a dual citizen:

- Repeal of FATCA (Foreign Account Tax Compliance Act)
- Restrict the scope of US Exchange Act of 1934 regulating interstate commerce (according to its intended purpose) to States in the US only.

I know others are providing more detailed submissions with more detailed analysis on these issues, so I thought I would just provide you some concrete example of how FATCA and the US Exchange Act of 1934 (SEC interstate commerce regulation) have significantly negatively impacted my life and my livelihood.

I was born in Hungary, but during the communist regime immigrated to Germany and have been living in the US since 1983. I am now US and German citizen receiving a monthly German income (pension) for my working years there that is taxed in Germany (and applied to my US tax). I also have various financial obligations (e.g. health insurance premiums) there. For all these I have to maintain a bank account in Germany that became practically impossible, as gradually all financial institutions in Germany refuse to provide services to US persons. Due to the SEC interstate commerce regulation, all my investment accounts are already cancelled or frozen and as soon as my checking account is closed by the bank, I lose my entire German income and social benefits. The only way to regain them would be to give up my US residency and citizenship.

As a result, I believe that FATCA should be repealed in its entirety and the US Exchange Act of 1934 about interstate commerce should be applied only within the US.

Sincerely,

Mihaly Lenart