Capt Nicholas & Jacinda Shelly

U.S. Air National Guard

[redacted]

April 4, 2015

United States Senate Finance Committee
International Tax Working Group

Dear U.S. Senate Working Group on International Tax,

Every year Americans volunteer to spend time abroad, representing their companies and organizations while learning the ways of other nations. They trade the best ideas of the United States — democracy, personal freedoms and respect for others — with their host countries and return home with greater perspective.

My wife and I were fortunate to spend two years abroad at Oxford University on a Rhodes Scholarship when I was an Air Force officer recently graduated from the Air Force Academy. In England, we learned from some of the finest institutions with over a millennium of tradition. Yet, we were saddened to learn that because of our passports and a peculiarity in the tax code, F.A.T.C.A, Americans would be required to file taxes in multiple places and be subject to great uncertainty when making important financial decisions. Worse, many U.K. financial institutions simply rejected working with Americans outright, while they were happy to work with citizens of Iran or Zimbabwe — and the U.K. is one of our most important Allies!

Fellow Americans in the U.K. were reluctant to spend time working abroad in London, and others in other countries considered foregoing U.S. citizenship.

As one suggestion I would consider modifying **the definition of a U.S. person for tax purposes in 26 U.S. Code § 7701(a)(30) — to meet a bona fide residence test or physical presence of 2 of the 3 consecutive tax years.**

To improve our economy and protect jobs in an increasingly competitive, global world, it is important for Americans to get experience abroad and spread the light of democracy. Please consider bringing American tax code into the 21st century.

Sincerely yours,

Nicholas & Jacinda Shelly