April 14, 2015

Concerns to: individual@finance.senate.gov
international@finance.senate.gov

Dear Finance Committee Members,

We have a son and daughter-in-law who are US citizens living in Switzerland. They have lived and worked there for 25 years and have paid US Income Taxes during that time under the US citizenship-based-taxation (CBT). Taxation under this plan was fair and reporting was relatively simple until recent changes brought about mainly by complexities of FATCA.

We realize that FATCA is needed in some form to eliminate secret accounts. However, the Swiss banks have reacted to this reporting requirement by making it difficult for US citizens in Switzerland to maintain and open new accounts and to carry on functions of a normal lifestyle.

Further, T. Rowe Price has recently informed our son that he will not be allowed to add to current US mutual funds, citing "growing complexity in complying with recent changes in (US) tax law with respect to investors residing outside the US". This also restricts our son and daughter-in-law's financial investment options.

How will they wire money for their son's and daughter's US college tuition (BU and UM) if the Swiss banks won't work with them?

Our "kids" have also found out that their Swiss pension fund plans have not yet been investigated by US tax entities to become "qualified", and this results in "double taxation".

The US tax laws and the FATCA effects make life difficult and expensive for US citizens abroad, especially in Switzerland. We urge the committees to make changes to make life more equitable for these people.

We believe that a change from CBT (citizenship-based-taxation) to RBT (residency-based-taxation) would solve a lot of the complications of life for all US citizens abroad. Such a change would need to be accompanied by a carefully applied tax amnesty program and various changes to the FATCA program.

Thank you for dealing with this difficult problem.

Paul and Georgia Goodman

[redacted]

Ann Arbor, MI [redacted]