March 22, 2015

Finance Committee
United States Senate

Re: Individual Income Tax; American Overseas – 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 United States citizen that resides outside of America. I reside in France and have done so since 1985.

There are two issues that are critical to me as an American residing overseas:

- Repeal of FATCA (Foreign Account Tax Compliance Act)
- Residence-based Taxation

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 examples of how FATCA has significantly negatively impacted my life; both as an overseas resident but also as manager of a French financial institution.

As an overseas resident, and since enactment of FATCA, I have been informed that certain of my US bank/securities accounts would no longer accept further deposits, leaving me no choice but to close them (probably what the bank preferred anyway). In addition, I have been refused new accounts in the US, have been asked to close certain French bank accounts, and have been refused new French bank relationships. This is clearly detrimental to individual efforts to save and invest.

I cannot blame the French institutions for their behavior – we as American customers are few and certainly do not contribute profitably to the bank's business given the regulatory burden incumbent upon them due to FATCA. It makes perfect sense for those banks to deny relationships with American clients.

Each year, the onerous additional US tax reporting burden, imposed on me simply because I reside outside the US, costs me huge accountant's fees. That money would be better spent in investments that would generate taxable income for the US.

I have a number of American friends living here who have similar stories to tell.

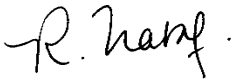
Lastly, I manage a small investment fund in France, which is a "Foreign Financial Institution" according to FATCA. I can tell you that we will not be seeking US investors in our Fund

because we simply cannot afford the cost of the additional administrative burden this would impose.

As a result, I believe that FATCA should be repealed in its entirety and that the US should switch to residency based taxation like the vast majority of nations worldwide. Such a change would drastically reduce the need for tax accountants and tax lawyers, releasing the money spent for them and enabling it to be redirected to more productive uses. As such each taxpayer would generate more taxable income and fewer tax deductible expenses.

Thank you for your consideration of these issues.

Sincerely,



Roberta B. Nataf
[redacted]