April 2, 2015

To Whom It May Concern:

Let me introduce myself. My name is Scott Bruyere. I am a USA citizen and I currently reside overseas in Dubai, UAE. I am writing to you because taxation of my international income is increasingly complex. Additionally, IRS regulations and FATCA, The Foreign Account Tax Compliant Act, make a foreign bank account or company retirement plan practically impossible. There are numerous reporting requirements and punitive tax payments required of non-compliant IRS retirement plans.

I have attached to the end of this letter the IRS link regarding the ridiculous nature of my tax reporting required by the IRS. Since I am an airline pilot, I at times fly over international airspace/water. The IRS has determined that I must account for every single minute of time over international airspace/water since this time is considered taxable. (Basically I cannot use any of the foreign income exemption for time over international airspace). The foreign company I work for hired me to fly passengers safely to all corners of the world. They do not want me diverting my attention trying to determine when my flight is over international airspace/water and making personal data entries of these times during the flight. It's getting so absurd that a flight from Dubai to Doha, Qatar has ~2 minutes of international airspace taxable time over the Persian Gulf. These few minutes have to be noted for IRS reporting requirements when preparing my annual return. How have we gotten to this point? Additionally, my company's end of service (similar to a USA 401k) plan is not considered IRS compliant. The IRS tax burden on the plan makes me wish my company did not provide it. That is the simple truth. Don't you find it mind boggling that I would rather fund all of my retirement through my own wages instead of allowing my foreign company to fund some of it?

The FATCA legislation has made it more difficult to do banking overseas. Some banks do not even accept USA citizens. Why has it become such a liability for foreign financial institutions to have an account associated with an expat American?

The point of this letter is to voice my frustrations with the USA tax code and FATCA. There needs to be a better way. I am at the point of considering a job back in the USA for less than half the pay. The stress and difficulties of filing returns, FATCA, audits and having to pay income taxes while living full time overseas is why I have reached this conclusion.

Thank you for taking the time out of your busy schedules to read my letter. Best of luck with tax reform and please simplify the tax code and FATCA. Let's all work together for common sense solutions. Please do not hesitate to contact me at sbruyere1msn.com or international mobile# +971 503951695.

God bless you, and God bless the United States of America!

Kind Regards,

Scott Bruyere

http://www.irs.gov/Businesses/U.S.-Citizens-Performing-Services-in-Foreign-and-International-Airspace