Submission from:

Susan McMahon

[redacted]

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Re: Individual and Company Tax for Expatriates

As a United States citizen currently living in Australia, I would like to provide you with some information on how the current tax policy affects me.

The biggest impact on me is the treatment of Australia superannuation (retirement) funds. In Australia, we have a retirement savings vehicle similar to a pension plan or an IRA, called superannuation. At the moment, the US does not recognize these plans as IRA plans (similar plans from Canada and the UK are recognized as such).

This is quite unfair to Americans living in Australia and trying to save for retirement. We get hit with having to pay taxes on the contributions our employer makes to these funds on our behalf AND any withdrawals we may make from these accounts.

Please consider amending the US-Australia tax treaty to allow these savings plans to be given the same treatment as US pension plans – and are considered as the individual retirement account that they are.