



AMERICAN CITIZENS ABROAD
EDUCATE, ADVOCATE AND INFORM

Washington, DC
May 18, 2017

Co-sign letter to Administration and Congress by groups supporting change from Citizenship-based to Residency-based taxation for Americans overseas,

A letter was sent to President Trump, Treasury Secretary Mnuchin, House Speaker Paul Ryan, House Ways and Means Chairman Kevin Brady, and Senate Finance Committee Chairman Orrin Hatch, outlining why switching from Citizenship-based to Residency-based taxation for Americans overseas should be enacted.

The letter is signed by ACA, Inc, ACA Global Foundation, Asia Pacific Council of American Chambers of Commerce, Swiss-American Chamber of Commerce, AmCham Abu Dhabi, Americans for Tax Reform and US Wheat Associates. (see attached and link)

The Co-sign letter explains that the United States taxes American citizens on their worldwide income regardless where they reside, the source of their income, whether they are or ever have been present in the US – in short, regardless of anything.

Almost every other country in the world, with the possible exception of the African country of Eritrea, doesn't tax their citizens like this. They tax when a citizen actually resides in that country.

The letter calls on the Administration and Congress to make this historical change and move to Residency-based taxation because it's the fair thing to do and puts Americans overseas in sync with that of citizens of other countries.

Americans overseas are the salesman and promoters for US businesses and they should be helped, not senselessly burdened by tax policy. US exporters, especially smaller exporters, want to hire Americans to sell their products in foreign markets, but if they hire Americans, their costs are inflated because it's common for them to absorb the individual's US tax costs.

Americans overseas are paying income taxes and often paying high consumption taxes, import duties, and other tax-like charges in the foreign countries where they live.

This conversion can be made revenue-neutral, will reduce the disturbing upward trend in US citizenship renunciations and will be simpler to administrate for the US government and taxpayers.

ACA encourages organizations interested in tax reform and American overseas issues to add their names to the letter. Please contact Marylouise Serrato, 202 322 8441 or info@americansabroad.org