



AMERICAN CITIZENS ABROAD

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American Citizens Abroad, Inc. (ACA) publishes detailed Residency-based taxation (RBT) proposal and launches coalition to score proposal.

Congress, it is believed, will consider amending the Internal Revenue Code to change from a citizenship-based approach to taxing individuals to a residency-based approach. The United States is the only industrialized country that taxes using a citizenship-based regime; that is, an American citizen is taxable on his or her worldwide income regardless of the fact that that individual resides entirely outside the US. While this change has been discussed for a long time, what exactly it might entail in the way of changes to the existing tax code has not been spelled out.

In order to promote a constructive consideration of the subject, ACA has developed a detailed side-by-side comparative chart highlighting elements of the current tax code compared against the details of ACA's RBT proposal

([https://www.americansabroad.org/media/files/files/ad2154e6/Residency-Based Taxation ACA Proposal Side-By-Side Comparison 161201 Final.pdf](https://www.americansabroad.org/media/files/files/ad2154e6/Residency-Based_Taxation_ACA_Proposal_Side-By-Side_Comparison_161201_Final.pdf)). It is intended to lay out a middle-of-the-road version, which then can be examined and modified. It will provide a starting point for developing revenue estimates on the cost of switching from citizenship-based to residency-based taxation. It is, in other words, a form of base-line approach to the subject.

ACA, with others, is creating a coalition of organizations interested in the subject of RBT to support the work of developing these revenue estimates and expects to complete this in the coming months.

Questions and comments should be directed to Marylouise Serrato at info@americansabroad.org or +1 202 322 8441

American Citizens Abroad, Inc. is a non-profit, nonpartisan, tax-exempt (under section 501(c)(4)), all-volunteer organization. ACA advocates on behalf of an estimated 6-8 million Americans residing outside the US. Its headquarters is in Washington, DC. It has chapters in the UK and Geneva, and it is "rolling out" chapters elsewhere. To learn more please visit: www.americansabroad.org

American Citizens Abroad Global Foundation is a publicly-supported charity, which is tax-exempt under section 501(c)(3). It focuses on educational issues that benefit Americans abroad. Among other things, it conducts Town Hall Evenings with speakers and invited guests in front of live audiences and via videoconferencing. It also conducts, alone or in conjunction with others, surveys. To learn more please visit: www.acaglobalfoundation.org