



AMERICAN CITIZENS ABROAD
EDUCATE, ADVOCATE AND INFORM

ACA, Inc.

American Citizens Abroad

Educate, Advocate, Inform

Press Kit

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AMERICAN CITIZENS ABROAD
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OUR MISSION

American Citizens Abroad (ACA, Inc.) mission is to educate, advocate and inform both the US Government and US Citizens living and working overseas on issues of concern to the overseas US Citizen community.

ACA works to find practical solutions to resolve issues impacting overseas US Citizens and communicates results to constituents stateside and abroad. ACA is the premier thought-leader on issues affecting US Citizens living and working overseas.

ACA educates both the US Government and US Citizens living and working overseas on critical issues impacting the overseas American community.

ACA advocates for practical, implementable solutions that allows the community of US Citizens overseas to thrive, while continuing to contribute to the US society and economy. ACA solutions are driven by the following criteria; achievability, practicality and ease of implementation.

ACA informs the community of US citizens overseas by monitoring legislation, engaging in dialogue with the Legislative, Administrative and Judicial branches of the US government and, by listening to US Citizens living overseas, gathering knowledge from globally-minded professional experts in the field, gaining input from our Country Information Managers, monitoring the media and fielding research projects via our sister organization American Citizens Abroad Global Foundation (ACAGF).

ACA, Inc. is a membership organization representing Americans living abroad. It is incorporated as a nonprofit organization under the laws of the State of Delaware. Its structure and operations fall within the rules applicable to an exempt social welfare organization (section 501(c)(4) of the Internal Revenue Code). Alongside it is American Citizens Abroad Global Foundation, organized as a publicly-supported charity under section 501(c)(3).

ACA is nonpartisan and does not support any political group. ACA favors a balanced approach to subjects, supporting efforts that provide tangible results. ACA does not support or campaign for any candidates. It does not provide tax, legal or investment advice. It does not market the services of any person or group.



OUR ORGANIZATION

[ACA's leadership](#) through its Executive Committee and Board of Directors consists of American citizens who have lived or are living abroad. They bring with them a wealth of personal and professional knowledge from a variety of fields.

ACA has two Country Chapters, one in Geneva/Lausanne, Switzerland and one in London, UK. These Chapters hold informal get-togethers for ACA members and sponsor Town Hall Evening where practical information on topics of interest to the community are held.

ACA's network of [Country Information Managers](#) are the "eyes and ears" of ACA providing input on the issues and concerns of Americans abroad.

ACA relies on members and regularly polls them. ACA encourages member to write or provide us with their testimonials on the issues affecting them.

ACA's [Professional Tax Advisory Council](#) helps our organisation stay up to date on the latest developments in tax and tax legislation.

[ACA press team works with the Press & Media](#) to insure that the issues facing Americans overseas are being addressed by journalists and discussed in public.

ACA IS DEDICATED TO

Working with the Congress, Administration and Judiciary to educate them on issues and to find solutions and advocate for Americans living and working overseas.

Developing practical, realistic and implementable recommendations and proposals that will help Americans abroad and provide them with solutions to their issues.

Learning from our membership what problems confront them, informing our membership on legislation and issues, giving members useful and timely resources via our newsletter updates website, Facebook page and providing them with resources such as directories for services.



OUR ACCOMPLISHMENTS

ACA's research and case work has been used in the development of congressional legislation and cited in US judicial rulings.

ACA was instrumental in rewriting citizenship legislation rewritten so that children of US citizens who had not met the US residency requirements in order to pass their US citizenship on to their children were eventually able to do so.

ACA was responsible for the inclusion of Residence-based taxation (RBT) in key Congressional White Papers and recommendations from the Senate Finance Committee, the Joint Committee on Taxation and the House Ways and Means Committee.

ACA was instrumental in increasing the FATCA (Foreign Account Tax Compliance Act) Form 8938 filing thresholds for US citizens living and working overseas, from \$50,000 to \$200,000.

ACA was instrumental in getting the IRS to open up a third-rail for tax compliancy with its Streamlined Foreign Offshore Program. The new IRS low-risk compliancy program drew heavily on recommendations from ACA's Comprehensive Compliance Proposal (CCP).

ACA was responsible for uncovering abuse in the OVDI (Offshore Voluntary Disclosure Initiative) program which was entrapping innocent Americans overseas who had, out of error or oversight, not filed past FBAR (Foreign Bank Account Report) statements. ACA was able to influence IRS/Treasury to revise back filing requirements for those who had made honest mistakes of omission.

ACA was instrumental in showcasing the importance of the Foreign Earned Income Exclusion (FEIE) resulting in the introduction of legislation in 2011 by Congresswoman Maloney and Congressman Garrett calling for the removal of the cap on FEIE.

ACA was responsible for bringing to light the serious concerns and issues that need investigation resulting in the introduction of HR 597 which calls for a Presidential Commission to investigate a variety of issues affecting the overseas American community.

ACA has developed ongoing dialogues with key offices in Washington, DC so that issues and problems facing the community get the attention they deserve. Without ACA's voice, your only line to Washington is via your Congressional Representative or Senator which historically has not been effective, given that your issue or concern does not represent a large voting block or constituency back in the United States.

ACA has been instrumental in getting media coverage of a myriad of issues concerning Americans living and working overseas. ACA is regularly quoted in major media outlets such as the Wall Street Journal, Bloomberg, Newsweek, Time and the Washington Post.

ACA has developed the [Tax Preparer Directory](#), in order to provide Americans with the resources they need to remain tax compliant.



ADVOCACY

TAXATION

ACA proposes that Congress adopt Residence-based Taxation (RBT). ACA's proposal, **RBT and Tax Reform** has been presented to Congress and key legislative offices such as; Joint Committee on Taxation, House Ways and Means Committee and the Senate Finance Committee. Congress is under increasing pressure to undertake fundamental tax reform and ACA's proposal is now part of that discussion

CROSS-BORDER BANKING, FINANCES AND CREDIT

The enactment of recent tax evasion legislation; the FATCA legislation, the increased enforcement of FBAR, the Patriot Act, and foreign government tax legislation such as the European Alternative Investment Fund Managers Directive (AIFMD), has in some cases, resulted in the denial and/or closure of both retail and investment financial accounts for Americans resident overseas.

COMPLIANCE

FBAR

In addition to the newly implemented FATCA form 8938 for financial and bank account reporting, the US Treasury requires that Americans also file a separate bank reporting form, the Foreign Bank Account Report or FBAR or FinCEN-114.

Most all-foreign financial accounts are reportable on form FinCEN-114 however, only certain investment and bank accounts are reportable on a FATCA form 8938.

ACA advocates for the simplification in these two bank account reporting systems to reduce confusion and risk of error in filing. This is in line with recommendation by the Taxpayer Advocate to insure that the legislative goals are achieved without unduly burdening filers with double reporting.

ACA also advocates for increased vigilance by the IRS on data security for Americans abroad who are filing sensitive information on their bank account numbers, bank addresses and balances via the internet and directly through foreign bank and foreign government exchanges with the United States IRS and Treasury (IGA agreements).

FATCA

ACA developed and presented to Congress, the IRS and Treasury a proposal for **Same Country Exemption** to alleviate the problem of "lock-out" whereby some Foreign Financial Institutions (FFIs) refuse to do business with Americans because of FATCA reporting. **Same Country Exemption** would exclude the reporting of accounts owned by Americans abroad where the account is with a Foreign Financial Institution in the same country where the individual is a resident. This would alleviate the filing burden for FATCA on Americans as well as the identification and disclosure of these accounts by the Foreign Financial Institution.



VOTING

ACA, Inc. favors the unhindered exercise of voting rights for eligible overseas Americans, whether military or civilian.

CITIZENSHIP

All Americans should enjoy the same right to transmit US citizenship to all of their children at birth, including all children born to or adopted by a US citizen abroad.

SOCIAL SECURITY

Americans abroad should not be penalized simply because they spent part of their careers abroad, or because they retire abroad and/or have a foreign spouse or adopted children. ACA supports the Social Security Fairness Act, which would eliminate the Windfall Elimination Provision (WEP). Americans abroad should also have dedicated support from the Social Security Administration for accessing their benefits.

MEDICARE & HEALTHCARE

Medicare benefits should be extended to those Americans eligible who live outside the United States. Americans abroad that are eligible for Medicare benefits in the US should be able to sign up without premium penalties for late enrollment upon return to the US. Americans working overseas should be allowed to credit foreign taxes paid against the supplement 3.8% NIIT tax. The NIIT tax directly funds the Affordable Care Act which Americans overseas cannot access.

REPRESENTATION IN CONGRESS AND ACA IN WASHINGTON, DC

ACA believes that the best long-term solution for Americans overseas in having their voice heard is direct representation in **Congress** through Delegates elected by the overseas community. The overseas American community should have right to its own representation, particularly given the special issues they face, the growing complexities of the global markets and the role that Americans overseas play in the competitiveness of the United States.



ACA'S VOICE IN THE NEWS

ACA is frequently called on for on-air media interviews and quoted in leading publications such as **The Hill, Bloomberg, The Wall Street Journal**. Below are recent articles where ACA has been quoted.

Financial Times (October 9, 2015)

"Banks give up US expats' data in tax evasion crackdown"

ACA Director Marylouise Serrato was quoted in this article about new FATCA reporting requirements:

"Bank details belonging to hundreds of thousands of American expats have been passed to Washington, marking the start of a new era of data exchange by governments intent on cracking down on tax cheats.

...

"Many US expats who have failed to file US tax returns will be eligible for a partial amnesty, known as the 'streamlined' programme which does not impose penalties on people who can say they had not willfully failed to comply with their obligations to file returns.

...

"Marylouise Serrato, executive director of American Citizens Abroad, which publishes a directory of tax return preparers, said: 'It doesn't necessarily follow you have to find a preparer in the country where you live. We are hoping there will be competitive pricing that will help alleviate the high cost of compliance.'"

<http://www.ft.com/intl/cms/s/0/0f18a506-6e91-11e5-aca9-d87542bf8673.html#axzz3oMFC4Vg2>

(subscription may be required)

Tax Notes (Sept. 14, 2015)

"Theories for Expatriation Numbers Abound, but Answers Are Elusive"

Two directors of ACA, Inc. were quoted in a Tax Notes article (Sept. 14, 2015) on the growing number of renunciations:

"...Charles Bruce of Bonnard Lawson, who is also legal counsel for American Citizens Abroad [said] 'Before FATCA, one of the things that drove a big spike years ago were news stories [involving renunciations] being written up in Forbes magazine.' He added that recently, FATCA had also led to renunciations, not so much because of a desire to save on taxes, given high foreign tax rates, but more to avoid the compliance burden. 'People are getting a paper blizzard,' he said, also citing the complexities in reporting foreign bank and financial accounts and completing Form 8938 'Statement of Specified Foreign Financial Assets.'

"'It's hard to know from these figures what is really behind renunciations,' said Marylouise Serrato, executive director of American Citizens Abroad. 'Clearly in the last couple of years, with the increase in compliance, it's obvious that there was a huge community of Americans overseas who had no real understanding of how they were supposed to file or that they were supposed to file.' She added that the



recent media attention given to overseas compliance resulting in increased awareness of duties may have played into increased renunciations."

[Full article \(pdf reproduced by permission\)](#)

Bloomberg BNA (August 26, 2015)

"Plaintiffs Fire Back at Justice Department in Case Over FATCA"

"Battle lines have been drawn in a case seeking to get the Foreign Account Tax Compliance Act and its accompanying intergovernmental agreements declared unconstitutional...The case highlights the fact that while many overseas Americans agree FATCA is causing financial havoc and other problems, U.S. citizens abroad don't agree on how to fix the problems...'We think a same country safe harbor is highly achievable,' ACA spokeswoman Marylouise Serrato said Aug. 25, noting that her group was one of the first to support that approach. 'It's the most doable, the most practical, we stand by that.'"

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[Read the complete article](#)

Migrationpolicy.org (July 29, 2015)

"Americans Abroad: A Disillusioned Diaspora?"

Academic researcher Dr. Amanda Klekowski von Koppenfels, Lecturer in Migration and Politics at the Brussels School of International Studies, recently published an article entitled "Americans Abroad: A Disillusioned Diaspora." Dr. Klekowski highlights some of ACA's work. Dr. Klekowski speaks to the frustrations and problems of the Americans overseas community and the opportunity for productive engagement by the United States with the community.

<http://www.migrationpolicy.org/article/americans-abroad-disillusioned-diaspora>

ExpatForum.com (June 8, 2015)

"Foreign tax rules may be unfairly targeting US expats"

"An organisation that represents American expats has called on the United States Treasury to amend tax regulations to exempt those living abroad from the Foreign Account Tax Compliance Act (FATCA).

"Where a US person truly resides in a foreign country and has a normal financial account at a bank or similar institution in the same country, ACA is recommending the FFI should treat it as if it belonged to someone who is not a US taxpayer, and the latter would not have to list the account when reporting a Statement of Specified Foreign Financial Assets.

"'If the account in question is a garden variety bank account and it sits in a bank down the street in the same country, it's realistic to assume that this account is used for normal, everyday purposes such as to buy groceries, to pay the rent, to pay for vacation travel, and so forth,' said Marylouise Serrato, executive director of ACA.

"'This type of account should not be affected by FATCA. With this exemption, foreign bankers could relax a bit when dealing with their American customers. And Americans living outside the US would not need to feel that they are being unfairly targeted,' she added."

<http://www.expatform.com/america/foreign-tax-rules-may-be-unfairly-targeting-us-expats.html>



The Wall Street Journal (June 5, 2015)

"The New Rules of Offshore Accounts"

"For expatriates, the annual income-tax filing deadline is normally June 15, [2015], instead of April 15. In addition, all U.S. taxpayers with offshore accounts totaling more than \$10,000 in 2014—regardless of where they live—have until June 30 to file FinCen Form 114, known as Fbar, a report giving details of the accounts.

"But new issues are cropping up. Bills with support in the House and Senate could allow the revocation or denial of passports to people with unpaid taxes of more than \$50,000, says Marylouise Serrato, executive director of American Citizens Abroad. The group worries that if the provisions become law, expats could suffer. Some could owe taxes they are unaware of and lose their passport, even though the debt might later be reduced or eliminated by the IRS. 'For Americans living overseas, a U.S. passport is the only official document proving they're American,' Ms. Serrato says, so being without one can make living abroad not only difficult but risky."

<http://www.wsj.com/articles/the-new-rules-of-offshore-accounts-1433511676>

(subscription needed)

Reuters Press Release (May 26, 2015)

"New survey finds US expat voting could impact 2016 Presidential Election"

"Greenback Expat Tax Services conducted this survey with over 1,800 US expats in cooperation with the American Citizens Abroad Global Foundation (ACAGF), a section 501(c)(3) charitable organization focusing principally on educational matters to promote the interests of Americans abroad.

" 'The results of the survey are very important to the work that ACAGF and American Citizens Abroad, Inc. are doing on behalf of Americans living and working overseas. Identifying the problem areas and the concerns of this community helps our organizations better formulate policy and supports ACA, Inc.'s advocacy efforts with the legislature,' said Marylouise Serrato, Executive Director, American Citizens Abroad (ACA, Inc.), a sister section 501(c)(4) organization to American Citizens Abroad Global Foundation (ACAGF), a publicly-supported charity under section 501(c)(3).

" 'ACA Global Foundation understands the importance of identifying the issues facing the community of Americans living and working overseas. Better understanding of our members' and supporters' issues helps us educate everyone, including Congress, as to the real needs of Americans living and working overseas,' said Charles Bruce, Chairman of ACAGF."

<http://www.reuters.com/article/2015/05/26/idUSnGNX4jnbWS+1c3+GNW20150526>

Expatbriefing.com (May 8, 2015)

"FATCA: No Respite For US Expats-Yet"

Following another call from US expat pressure group Americans Citizens Abroad (ACA) that the United States Treasury amend tax regulations to exempt Americans residing in a foreign country from the Foreign Account Tax Compliance Act (FATCA), this feature provides an overview of this controversial tax reporting law and recent FATCA developments.

Commenting on the problem, Marylouise Serrato, Executive Director of ACA said: "If the account in question is a garden-variety bank account and it sits in a bank down the street in the same country, it's realistic to assume that this account is used for normal, everyday purposes: To buy groceries, to pay the rent, to pay for vacation travel, and so forth. This type of account should not be affected by FATCA. With this exemption, foreign bankers could relax a bit when dealing with their American customers. And Americans living outside the US would not need to feel that they are being unfairly targeted."



"All these reporting requirements, and the threat of penalties if the reporting is not complete and accurate, are causing some foreign banks and other financial institutions to cut off access by Americans overseas to foreign financial tools, such as mortgages, bank accounts, insurance policies, and pension funds, all of which are essential financial tools for survival overseas," ACA observes.
<http://www.expatriating.com/expat-features/FATCA-No-Respite-For-US-Expats--Yet-572769.html>

Tax-News.com (April 23, 2015)

"Residence-Based Taxation Proposed For Americans Abroad"

"American Citizens Abroad (ACA) has submitted a proposal to the US Senate Finance Committee individual and international tax reform working groups for the enactment of residence-based taxation (RBT) for American expatriates. It said lawmakers should enact RBT instead of the present citizenship-based taxation (CBT) because it would reduce compliance burdens for expatriates, provide more efficient taxation, and improve competitiveness...."

http://www.tax-news.com/news/ResidenceBased_Taxation_Proposed_For_Americans_Abroad___67884.html

Accounting Today (April 21, 2015)

"Taxpayer Advocate Recommends Merging FATCA and FBAR Reporting Rules"

The National Taxpayer Advocate has recommended that the reporting rules under the Foreign Account Tax Compliance Act and for foreign bank account reports in effect be merged to simplify the duplicative disclosure requirements that make it difficult for American expatriates to have bank accounts in the foreign countries where they live.

The expatriate advocacy group Americans Living Abroad [ACA, Inc.] has been pushing for relief from the onerous requirements of FATCA, which was included as part of the HIRE Act of 2010. FATCA requires foreign financial institutions to report on the holdings of U.S. taxpayers to the Internal Revenue Service, or else face stiff penalties of up to 30 percent on their U.S. source income. The older rules for foreign bank account reports, or FBARs, require taxpayers themselves to report on their holdings in overseas bank accounts. Both sets of requirements are aimed at discouraging taxpayers from hiding their assets in secret bank accounts abroad, but have also led many U.S.-born expatriates to face difficulties in maintaining bank accounts, even if they haven't lived in the U.S. for years.

<http://www.accountingtoday.com/news/tax-practice/taxpayer-advocate-recommends-merging-fatca-and-fbar-reporting-rules-74367-1.html>



ON-AIR INTERVIEWS



ACA, Inc. in Washington DC (July 2014)



ACA and the IRS streamlined foreign offshore procedure (July 2014)



Launching of the new ACA Tax Preparer Directory (July 2014)



ACA Global Foundation (July 2014)



PRESS RELEASES

Survey results on consequences of FATCA for Americans living overseas (Jan. 2016)

ACA Urges Congress to Reject Tax Collection Provisions Tied to Passports (Nov. 30, 2015)

ACA, Inc. announces the recipient of the 2015 Thomas Jefferson Award (July 6, 2015)

American Citizens Abroad Global Foundation seeks views on tax laws (June 2015)

ACA, Inc. announces appointment of Michael Larsen to the ACA, Inc. Board of Directors (1 June 2015)

ACA commends Tax Advocate stance on FATCA and FBAR reporting (April 2015)

ACA urges adoption of "Same Country" Exemption for FATCA reporting (April 2015)

ACA Press Release on Senate Finance Committee "Rethinking" of Tax Rules (Dec. 2014)

ACA completes roll-out of its online Tax Return Preparer Directory now listing over 1700 preparers (Dec. 2014)