

Author Full Name : Andrew Kandel**Received Date :** 04/11/2024 05:44 AM**Comments Received :**

To the US Department of Treasury

FBAR information collection from U.S. citizens who reside outside the United States is an undue burden due to lack of awareness, confusion of filing requirements, and definitions. Even tax professionals aren't aware of the filing requirements, which puts taxpayers at risk of disproportionately high penalties.

The FBAR exists to catch overseas money laundering, but often ends up ensnaring US citizens like myself who live abroad and need a bank account in order to receive salary, pay bills, and live a normal life. We aren't money launderers, we're innocent Americans who happen to live abroad. The FBAR should exclude Americans abroad to reduce the signal-to-noise ratio. In this way, the Treasury can devote its resources to finding actual overseas money launders.

Additionally, the extremely low \$10,000 filing threshold has been in place since 1970. It is long overdue for an update, at the very least to be indexed to inflation, which would be \$79,000 for 2024. Innocent people who go over the threshold as a one-off, for example, buying their first home or paying school tuition fees, are unaware of the FBAR, don't file, and face the risk of penalties. People who have heard of the FBAR are scared to death of doing it incorrectly since the instructions are confusing. Even tax professionals recommend over-reporting "just in case".

This unfair treatment is a symptom of the overall problem - Americans abroad are treated as collateral damage in the war against overseas tax evasion and money laundering. The IRS recognizes Americans abroad as an underserved community. Surely that would mean that the FBAR is long overdue for review given that it is a massively complicated filing requirement that hasn't changed for over 50 years.

Instead of threatening innocent Americans abroad with life-altering penalties and burdensome filing requirements, the Department of Treasury should work with Congress to bring the US into line with the rest of the world in the way it taxes its expats.

Sincerely yours,
Andrew Kandel
US citizen living in Tübingen, Germany