

Author Full Name : Francesca**Received Date :** 04/11/2024 01:38 PM**Comments Received :**

It is difficult to overstate the burden FBAR requirements puts on U.S. citizens abroad.

I have complied for 30 years with these despite not being in anyway part of the high-risk group these requirements are designed to target.

My children, both adults and dual ciitzens, are considering giving up their US nationality due to the expense of filing the US return and the time and complexity of keeping up with FBAR regulations.

Ordinary US citizens abroad - nearly all of us, that is - need a basic bank account in order to receive salary, pay their bills, and live a normal life. They need to save to buy a house and fund their retirement (which they can't do due to PFIC regulations).

The Treasury should devote its resources to the actual overseas money launders, not ordinary people trying to live their lives, save for the future and follow the ever complex rules of (at least) two countries.

At the very least, please raise the filing threshold! Innocent people who go over the threshold as a one-off buying their first home or paying school tuition fees are unaware of the FBAR, don't file, then face risk of penalties. People who have heard of the FBAR are scared to death of doing it incorrectly since 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 entire rest of the world in the way it taxes its expats.