

**Author Full Name :** Eben Joseph Muse**Received Date :** 04/13/2024 05:57 AM**Comments Received :**

I am the father of three children, each of whom is a dual national and very proud of their American citizenship. It is not about the convenience of having two passports, it is about their relationship with the country where much of their family reside and the history and personal culture that they feel as part of their selves.

The FBAR information collection, on top of the requirements to fill US tax returns when they do not have any income from or savings in the USA, is an unfair burden that forces them to consider abandoning their USA citizenship. They do not want to lose that citizenship, but they may be forced to by this unnecessary and out-dated filing requirement.

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

Additionally, the extremely low \$10,000 filing threshold has been in place since 1970. It is overdue for an update to at the very least be indexed to inflation, which would be \$79,000 for 2024. 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.