

Author Full Name : Mrs S Noble**Received Date :** 04/14/2024 03:34 PM**Comments Received :**

As an American who has lived abroad for over 30 years, I am writing to let you know how big a burden filing the FBAR is, and from my point of view, completely unnecessary.

I work abroad and file and pay my US taxes fully and on time, as I have done so consistently throughout my life, just as I did when I lived in the US. My American children, born in the UK, are now grown, and are just starting to file US taxes as they finish their studies. To explain to them that they also have to file FBARs and to collect the data is really difficult.

They, and I, can't understand why it isn't enough for us to file our US taxes as required by law. We already do this (and it is difficult due to the many extra complications for Americans abroad).

We can't understand why we also have to file the FBAR. We report all our interest and dividend income and capital gains on our 1040s and associated forms. We do not have secret accounts and unreported income. We have our basic bank accounts, investment accounts and pensions, just like other US citizens. We are not money launderers.

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 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.

Many thanks for your kind attention.