

**Author Full Name :** thomas noble**Received Date :** 04/20/2024 11:39 AM**Comments Received :****i. Unnecessary for U.S. Persons Living Abroad:**

The FBAR requirements are duplicative of the FATCA requirements.

Almost all U.S. persons living abroad, even those with modest incomes, have to file the FBAR because the \$10,000 threshold is too low.

U.S. persons living abroad need financial accounts in their country of residence for practical purposes. Maintaining these accounts is not suspicious.

**ii. Burdensome for U.S. Persons Living Abroad:**

There is confusion regarding the filing requirements for the FBAR, because the FBAR and FATCA requirements are different as they relate to the thresholds and types of accounts to be reported. This can lead to misinterpretation and filer errors.

The FBAR penalty for filing errors is excessive.

There is concern for data privacy because of U.S. government systems being compromised.

Foreign spouses are required to report their financial information along with the U.S. spouse living abroad.

U.S. persons living abroad are not afforded certain professional and charitable opportunities because of the FBAR requirements that they need to report on any financial interest in, or signature or other authority over, a bank, securities, or other financial account. For example, a company or a non-profit does not want to hire a U.S. person living abroad for certain financial roles, because that would obligate the U.S. person to report on the company or non-profit's financial accounts to the extent the U.S. person had any financial interest in, or signature or other authority over, a bank, securities, or other financial account of the company or non-profit.

It can be challenging to determine the highest account value for certain accounts, because the statements do not always provide that information.

It is costly to hire a tax professional to assist with FBAR and FATCA filing requirements.

**iii. Recommendations for Modification to FBAR Regulations and Exemptions for U.S. Persons Living Abroad:**

Remove FBAR requirements, and permit U.S. Government sharing of FATCA information.

Make the FBAR thresholds the same as the FATCA thresholds.

Adjust the FBAR dollar threshold for inflation. The initial threshold of \$10,000 has not been changed in over 40 years. It should be at least \$70,000.

Exempt U.S. persons living in specific countries.

Exempt U.S. persons from reporting the financial accounts in their country of residence.

Exempt U.S. persons abroad with modest incomes or with modest total assets.

Exempt U.S. persons that have lived abroad for a long period of time.

**iv. Estimate of Time to Complete the FBAR for U.S. Persons Living Abroad:**

Determining the maximum value of one account may take an hour or two to determine because the information is not always readily available on account statements.

U.S. persons living abroad may have 15 to 20 accounts for practical reasons. For example, many U.S. persons living abroad have a checking account, a savings account, lines of credit, investment accounts, retirement accounts, and business accounts. With this many accounts, it may take such a filer well over an hour to complete the FBAR.

A different commenter noted that in light of the Panama Papers, it is clear tax evasion and money laundering are an issue, and that in addition to requiring the FBAR, more should be done to prevent hiding assets offshore.

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These suggestions for modifications to the applicable regulations will be taken into account in FinCEN's review of existing regulations, consistent with Treasu