

**Author Full Name :** Anonymous**Received Date :** 04/29/2024 04:03 PM**Comments Received :**

As a U.S. citizen who resides outside of the United States, I am required to file FBAR information every year. This is a burden that causes citizens a great deal of stress, expense, and confusion. Many citizens are unaware of this requirement and face the potential of large penalties for unknowingly failing to comply, and many have to hire expensive accountants to bring their filings up to date. In my case, I found out about the FBAR requirement accidentally many years ago, when consulting a tax professional on another matter, and incurred a huge amount of stress, effort, and expense in backfiling for the required number of years.

The requirement also affects the everyday lives of U.S. citizens abroad. I have had to turn down opportunities for jobs or charitable board positions that required me to have signing authority on accounts, so that I would not have to include the organizations in my FBAR filings. These overseas organizations rightly believe that their information is not the business of the U.S. government. I have also had to provide the Treasury with confidential information on people I hold joint accounts with, including my non-U.S.-citizen husband (for our joint household account) and non-U.S.-citizen mother (for whom I was a caregiver). These people are not U.S. taxpayers and their information should not be subject to Treasury scrutiny.

The \$10,000 filing threshold has been in place since 1970 and is completely unrealistic in today's economy. It is so low that my dual-citizen children had to start filing FBARs as teenagers. In addition, money that a person transfers from one account to another--for example, from a savings account to a chequing account to make a large purchase or to pay university tuition--ends up being reported twice. People are scared of reporting incorrectly; the instructions are confusing, and some tax professionals I have consulted do not clearly understand them.

The FBAR was implemented to catch overseas money laundering, but instead it targets U.S. citizens abroad who are just living their everyday lives. Besides placing an unnecessary burden on these citizens, the filing requirement diverts Treasury resources from actual money launderers, and the plethora of information collected from innocent citizens may actually serve to obscure true cases of money laundering.

The FBAR requirement is just one way in which everyday Americans abroad are 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.

No other country imposes the same kind of reporting or tax filing requirements on their citizens abroad. 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 United States into line with the rest of the world in the way countries tax their expats.