

Terry Ralph M

From: Sally Warren [warrensally@wanadoo.fr]
Sent: Monday, January 03, 2011 10:53 AM
To: Terry Ralph M
Subject: Re: Form 8938 Statement of Foreign Financial Assets
Follow Up Flag: Follow up
Flag Status: Blue

Dear Mr. Terry,

I offer the following comments on proposed Form 8938 of Foreign Financial Assets:

1. Part A appears to request the same information as required by the existing Treasury Form. It is a little difficult to track the maximum value of a savings account that does not provide regular statements; however, this is a minor point compared to Part B.
2. Schedule of any stock or security issued by a person other than a U.S. person -

1/19/2011

name, address, description of stock or security by class, issue and type, maximum value during taxable year. In the case where one's funds are under management, one does not have regular access to all the requested information. As part of my reason for having funds managed is to save myself the time involved in managing the a/c myself, this request would be burdensome especially in the case of an actively traded account. And, in due course, it would undoubtedly lead to increased fees from brokerages / investment managers who would ultimately have to provide the requested information.

3. Setting "the aggregate value at more than \$50,000" does not strike me as the best approach. It might be better to set an individual holding limit or raise the aggregate amount.

4. Whereas the existing Treasury Form is required of anyone having signature authority over a foreign bank account, which in most cases would be expatriates, the new form appears to require anyone whether expatriate or not to complete the form. I believe it should be required of anyone with foreign assets, otherwise it would discriminate against expatriates. Most U.S. expatriates I know keep their investments in U.S. markets. In a global world, this form seems to be trying to get Americans to keep their assets in the U.S. domestic markets. That would be foolish from an investment point of view with an eye on diversification.

5. It is not clear to me what the aim of tracking such information is. I would rather the U.S. close a loop hole I see in Social Security payments - spousal payments to non-Americans married to Americans in the case where the American files singly (not jointly) to avoid declaring the spouse's income. I do not myself like having my tax dollars go to making payments to husbands of friends who have never contributed to the U.S. Social Security System and who have never paid a \$1.00 of tax to the U.S. At a minimum, for such non-American spouses to qualify for spousal social security payments, there should be a pre-requisite that the American and non-American spouse file a 1040 jointly.

Sally Warren

On 15 déc. 10, at 21:48, Terry Ralph M wrote:

Ms. Warren,

In response to your request we are providing you with a link to the Form that was submitted as part of the Proposed Collection. The link below will download a PDF of the Form 8938.

[http://www.reginfo.gov/public/do/DownloadDocument?
documentID=202248&version=1](http://www.reginfo.gov/public/do/DownloadDocument?documentID=202248&version=1)

Thanks

Ralph M. Terry
Tax Analyst, Tax Forms and Publications
Special Products Section

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Constitution Ave, NW, Washington, DC 20224 | Room 6129

-----Original Message-----

From: Sally Warren [<mailto:warrensally@wanadoo.fr>]

Sent: Tuesday, December 14, 2010 3:48 PM

To: Terry Ralph M

Subject: Form 8938 Statement of Foreign Financial
Assets

Importance: High

Dear Mr. Terry,

Please send me a copy of the subject draft form. I
should like to
comment on it prior to January 3, 2011.

1/19/2011

Thank you.

Sally Warren