

TAX REFORM FOR AMERICANS ABROAD

Congressional CallStorm and Grassroots Campaign Guide MAY 2018



UPDATE ON DEMOCRATS ABROAD TAX REFORM FOR AMERICANS ABROAD



We now understand the extent of the financial horror of the 2017 Tax Cuts and Jobs Act for Americans abroad who own businesses. The two new “transition taxes” they will bear will force many to close the companies that they have worked so hard to build and which sustain their families and prepare them for financial security in retirement. A true tax tragedy. And **another call to arms for the Americans abroad community to demand that Congress:**

- find a “transition tax” remedy to prevent the destruction of many thousand of businesses owned by Americans living abroad;
- work with the members of Congress developing a Residency Based Taxation proposal;
- co-sponsor HR 2136, the “Overseas Financial Access Act” – to eliminate the foreign financial accounts of Americans living abroad from reporting under FATCA;
- co-sponsor HR 1205, the “Social Security Fairness Act” - to repeal the Windfall Elimination Provision that prevents Americans abroad with pensions in their countries of residence from claiming the full amount of Social Security payments owed to them;
- address the needs of Accidental Americans who want only to shed unwanted U.S. citizenship without lengthy procedures and undo penalties.

Democrats Abroad will be in Washington DC on May 2 and 3, 2018 for meetings with members of both houses of Congress from both parties. We need you to back up our efforts by calling your elected representatives demanding tax reform for Americans abroad. All you need to do that is in this Guide.

WE NEED YOU TO TAKE ACTION



PRIORITY #1 CALL YOUR SENATORS AND CALL YOUR MEMBER OF THE HOUSE OF REPRESENTATIVES

Call as soon as you can and certainly **NO LATER THAN WEDNESDAY 2 MAY**. We need to hear Congressional offices saying, **“Yes, we’ve been getting a lot of calls from Americans abroad!”**

Advice for *finding your members of Congress* and scripts for making the calls are in this Guide.

#2 You can also use the web messaging system on the website of your elected representatives to deliver your concerns, but it won’t be as effective as a phone call. NOTHING IS AS EFFECTIVE AS A PHONE CALL. (Except a CallStorm of many, many thousands of phone calls!)

You can use the language for writing letters or postcards in this Guide to draft your message.

#3 Write a letter or Send a postcard.

Your written correspondence will not arrive on Capitol Hill by the time we sit down for meetings but they will help to reinforce the discussions we have next week. If you cannot call – or even if you can call - then please write!

The language for writing letters or postcards is in this Guide.

#4 If you can message us to let us know what action you took then that would be great.

Here’s a Google Form to make it super easy for you to respond and for us to use your outreach in this campaign in our next campaign (ie “Committee Chairman X, we know that in May YY,000 calls and messages about the way the U.S. Tax system hurts Americans abroad were sent to Congress. Please help us fix this.”)

You can cut and paste this link into your web browser:

https://docs.google.com/forms/d/e/1FAIpQLScd-DnQoi1EJokPEDIswwZZDF-nWrA8Z8J7heDOcuj41MZU_g/viewform

TAKING ACTION – Find your Senators and Member of the House of Representatives



Your elected representatives are the member of the House of Representatives and the two Senators of the district/state in which you last voted in the U.S.

If you don't know your member of Congress and/or your senators, you can look them up using these online tools. All you need is the zip code of the last place you lived in the U.S.

U.S. House of Representatives

<http://www.house.gov/representatives/find/>

There are also some Frequently Asked Questions on this page about how to contact your member of Congress.

To find the address and phone number of your representative, look on the home page of their website, usually at the bottom. Sometimes this information is at the right hand side of the page.

U.S. Senate

If you know your voting state you can find your 2 U.S. senators in the table at this link:

<https://www.senate.gov/senators/contact/>

Clicking on the Senator's name will take you to their website. To find the address and phone number of your Senator, look on the home page of the website, usually at the bottom. Sometimes this information is on the right hand side of the page. You also may find a "Contacts" tab at the top of the home page.

TAKING ACTION – Join our Congressional CallStorm



Call Your Member of the House of Representatives and tell them:

My name is _____ and I vote in your district. I live in [name of country] and like other Americans living abroad I am required to file taxes both in the US and in [name of country].

There are 6.5 million Americans like me, living outside the United States, struggling with the U.S. tax code because it discriminates against us in so many ways. Our problems with the U.S. tax system exist because Americans abroad were – and continue to be - forgotten during the tax writing process. As an example, the “transition taxes” in the 2017 Tax Act will force many American business owners abroad to close their companies. It’s a genuine tragedy.

It would take Congress years to address ALL of the tax code provisions that harm Americans abroad. That is why Americans abroad want the U.S. to switch from our current system of citizenship-based taxation to residency-based taxation. If the US had a system of residency-based taxation, like nearly every other nation, then I’d still be required to report my US-based income to the IRS, but not the income I make in and pay tax on to [name of country].

Rep George Holding is working on a Residency Based Taxation proposal and I ask [name of Representative] to work with Congressman Holding’s office on the development of a bill to enact Residency Based Taxation.

I am also asking for [his/her] support for HR 2136 the Overseas Americans Financial Access Act, which would exempt Americans living abroad from disclosures on the financial accounts in their countries of residence which they need to pay bills and save for the future.

Can I send you a briefing note which summarizes the concerns and demands of Americans abroad?

[Write down the name, title and email address of the person you’ll send the list. The link to the list is on page 10].

Thank you very much for your time and for your support!

TAKING ACTION – Join our Congressional CallStorm



Call Your Senators and tell them:

My name is _____ and I vote in your state. I live in [name of country] and like other Americans living abroad I am required to file taxes both in the US and in [name of country].

There are 6.5 million Americans like me, living outside the United States, struggling with the U.S. tax code because it discriminates against us in so many ways. Our problems with the U.S. tax system exist because Americans abroad were – and continue to be - forgotten during the tax writing process. As an example, the “transition taxes” in the 2017 Tax Act will force many American business owners abroad to close their companies. It’s a genuine tragedy.

It would take Congress years to address ALL of the tax code provisions that harm Americans abroad. That is why Americans abroad want the U.S. to switch from our current system of citizenship-based taxation to residency-based taxation. If the US had a system of residency-based taxation, like nearly every other nation, then I’d still be required to report my US-based income to the IRS, but not the income I make in and pay tax on to [name of country].

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Thank you very much for your time and for your support!

TAKING ACTION – Write your Senators

Writer's Name
Address
Date



Senator's name
Address

Dear Senator _____

Re: Seeking your support for tax reform for Americans abroad

I vote in [state] and I live in [name of country]. Like other Americans living abroad, I am required to file taxes both in the US and [name of country]. There are 6.5 million Americans like me, living outside the United States, struggling with the U.S. tax code because it discriminates against us in so many ways. Our problems with the U.S. tax system exist because Americans abroad were – and continue to be - forgotten during the tax writing process. As an example, the “transition taxes” enacted in the 2017 Tax Act will force many American business owners abroad to close their companies. It's a grave error in policy making and a genuine tragedy for American business owners abroad whose businesses support their families and their futures.

It would take Congress years to address ALL of the tax code provisions that harm Americans abroad. That is why Americans abroad support a switch from the current U.S. system of citizenship-based taxation to residency-based taxation. If the U.S. had a system of residency-based taxation, like nearly every other nation, then I'd still be required to report my US-based income to the IRS, but not the income I make in and pay tax on to [name of country].

Rep George Holding is working on a Residency Based Taxation proposal. Please contact Congressman Holding's office and ask for a briefing on the development of the bill to enact Residency Based Taxation.

I am also asking for your support for HR 2136 the Overseas Americans Financial Access Act, which would exempt Americans living abroad from disclosures on the financial accounts in their countries of residence which they need to pay bills and save for the future. Further, American business owners abroad need relief from the “Transition taxes” in the 2017 Tax Act that will surely force many of them/us to close their/our businesses.

My personal story is as follows... .

I value my US citizenship. I vote every year I can. I pay attention to U.S. politics as much if not more than the average citizen. But I don't believe it's fair that I am taxed in [country of residence]. as well as in the US on income I make abroad.

Thank you

Kind regards,

Name

Voting Address

Voting city, state, zip code

TAKING ACTION – Write your Representative

Writer's Name
Address
Date



Representative's name
Address

Dear Representative _____

Re: Seeking your support for tax reform for Americans abroad

I vote in your district and I live in [name of country]. Like other Americans living abroad, I am required to file taxes both in the US and [name of country]. There are 6.5 million Americans like me, living outside the United States, struggling with the U.S. tax code because it discriminates against us in so many ways. Our problems with the U.S. tax system exist because Americans abroad were – and continue to be - forgotten during the tax writing process. As an example, the “transition taxes” enacted in the 2017 Tax Act will force many American business owners abroad to close their companies. It’s a grave error in policy making and a genuine tragedy for American business owners abroad whose businesses support their families and their futures.

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Thank you

Kind regards,
Name
Voting Address
Voting city, state, zip code

TAKING ACTION – Send a Postcard



Sample postcard language – House of Representatives

Dear Representative _____

I vote in your district and I live in [name of country]. There are 6.5 million tax liable Americans like me living outside the United States and the problems with the U.S tax system that uniquely harm us were completely disregarded in the 2017 Tax Cuts and Jobs Act. We are very unhappy.

If the US had a system of residency-based taxation, like nearly every other nation, then I'd still be required to report my US-based income to the IRS, but not the income I make in and pay tax on to [name of country]. I also ask for your support for HR2136 to exempt our financial accounts in our country of residence from FATCA reporting.

Thank You

Sample postcard language – Senate

Dear Senator _____

I vote in [name of state] and I live in [name of country]. There are 6.5 million tax liable Americans like me living outside the United States and the problems with the U.S tax system that uniquely harm us were completely disregarded in the 2017 Tax Cuts and Jobs Act. We are very unhappy.

If the US had a system of residency-based taxation, like nearly every other nation, then I'd still be required to report my US-based income to the IRS, but not the income I make in and pay tax on to [name of country]. I also ask for your support for an exemption for Americans living abroad from FATCA reporting of the financial accounts in their countries of bona fide residence. We use these accounts to pay our bills and save for the future – not to commit financial crimes.

Thank You

THE DEMOCRATS ABROAD TAX ADVOCACY STATEMENT



Democrats Abroad reaffirms its commitment to tax policy that –

- ❑ helps reduce inequality and boost opportunity, and
- ❑ raises revenue from those with the greatest ability to pay

Democrats Abroad supports tax reforms that –

- ❑ clarify and simplify filing ,
- ❑ make the tax code fairer for all Americans,
- ❑ do not add significantly to the federal deficit,
- ❑ protect programs essential to national, community or individual well-being, and
- ❑ do not create loopholes to be exploited for tax avoidance.

Democrats Abroad has published a “laundry list” of tax code provisions that discriminate against Americans abroad. The list is here: smarturl.it/HowToFix23

We fear Congress is too divided to find remedies for each of the many and myriad tax problems we have identified. But we are determined to keep demanding it of them!

We are committed to Residency-Based Taxation as a remedy, requiring little effort by Congress, that addresses the vast majority of the tax problems faced by Americans abroad. Further, we will continue to promote the elimination of FATCA filing for the accounts of Americans abroad, the elimination of the Windfall Elimination Provision, an exemption for Americans abroad from the transition taxes in the Tax Cuts and Jobs Act and a citizenship remedy for Accidental Americans.



THANK YOU FOR YOUR HELP!!

Questions? Get in touch with the Democrat Abroad Taxation Task Force at TaxationTF@democratsabroad.org
OR visit our webpage - democratsabroad.org/taxation

Many of life's failures are people who did not realize how close they were to success when they gave up. - Thomas Edison

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