

TAX REFORM FOR AMERICANS ABROAD

On 15 June Call or Write Your
Elected Representatives

International Filing Day CallStorm

Participation Guide



THE DEMOCRATS ABROAD TAX ADVOCACY STATEMENT



Democrats Abroad reaffirms its commitment to tax policy that –

- ❑ helps reduce inequality and boost opportunity,
- ❑ makes the tax code fairer for all Americans,
- ❑ protects programs essential to national, community or individual well-being, and
- ❑ raises revenue from those with the greatest ability to pay.

Democrats Abroad supports tax reforms that –

- ❑ clarify and simplify filing,
- ❑ do not add significantly to the federal deficit, 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. You can download the list here: bit.ly/23TaxProblemsForAmericansAbroad

Democrats Abroad is committed to Residency-Based Taxation as a remedy that addresses the vast majority of the tax problems faced by Americans abroad.

We don’t know whether it is achievable this year, when Congress is spending trillions of dollars to keep Americans healthy and restore the economy. We are speaking to Congress about a range of reforms that can provide urgently needed relief. We continue to promote the elimination of FATCA filing for the accounts of Americans abroad, a Commission on Americans Living Abroad, the repeal of the Windfall Elimination Provision and a citizenship remedy for Accidental Americans.

UPDATE ON DEMOCRATS ABROAD TAX REFORM FOR AMERICANS ABROAD



Tax reform is high on the Biden Administration's agenda. We have the best chance we have had in years to secure tax relief for Americans abroad. Congress and the White House are currently negotiating the Made in American Tax Plan, part of the American Jobs Plan Act.

We need to raise our voices to get our reform recommendations into the bill!

On Wednesday June 15th, please join our GLOBAL CONGRESSIONAL CALLSTORM and ask your member of Congress to include Americans abroad in the transformational tax policy that will be enacted this year.

We support a switch to Residency Based Taxation and we endorse these provisions to provide urgently needed relief to Americans abroad from intolerable U.S. tax burdens:

- ❑ A filing exemption for Americans abroad **who owe \$0 in U.S. tax** to end complex, costly and needless filing by ordinary Americans abroad;
- ❑ A GILTI Tax exemption for Americans abroad **with income under \$400,000** to prevent the destruction of many thousand of companies owned by Americans living abroad;

- ❑ **FBAR Updates** - to improve the report's focus on bad actors and simplify compliance by Americans abroad;
- ❑ **the "Overseas Financial Access Act"** – to eliminate the foreign financial accounts of Americans living abroad from reporting under FATCA;
- ❑ **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;
- ❑ **a remedy for "Accidental Americans"** who want only to shed unwanted U.S. citizenship without lengthy procedures and undo penalties.

On Tuesday June 15th we need you to reach out to your elected representatives and ask for their support. This campaign participation guide will help you to do that.

WE NEED YOU TO HELP US FIGHT



1.) **CALL YOUR SENATORS AND CALL YOUR MEMBER IN THE HOUSE OF REPRESENTATIVES**

Tax reforms are being negotiated in Congress RIGHT NOW. **Outreach to Congress by Americans abroad on Thursday June 15th to ensure we are included is critical.**

Advice for *finding your members of Congress* and scripts for making the calls are in this Guide. More detailed talking points are also included at the end of the Guide.

2.) You can also use the web messaging system on the website of your elected representatives to deliver your concerns. You can use the language for writing a letter or postcard included in this Guide to draft your online or email message.

3.) **Write a letter or send a postcard.**

Your written correspondence will help to reinforce the calls. Please write!

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

4.) **If you get a response from a Congressional office or a member of Congress, please let us know.**

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 discussions with lawmakers (ie "Committee Chairman X, we know that 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:
<http://bit.ly/TaxReformforAmericansAbroad>

FIGHT FOR TAX REFORM –

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.

A lot has changed since the 2020 elections. 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.

FIGHT FOR TAX REFORM – Add your voice to the fight



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].

June 15th is the deadline for international tax filers. So this time of year, millions of Americans like me, living outside the United States, struggle 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 extended and advance Child Tax Credit Congress passed in March is not accessible by American parents living abroad. How can that be fair?

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].

Most Americans abroad go to a lot of trouble and expense to file taxes from abroad though we rarely owe any tax. Surely Congress can exempt Americans abroad from filing if they owe \$0 in tax. There are other categories of Americans who are excused from filing. It only makes sense to put us in that category.

Americans abroad should also be exempted from paying GILTI tax on the profits of their small businesses abroad since it is clear the tax was meant for Google and Starbucks and not small business owners.

Foreign financial account reporting requirements also need updating and Americans abroad should be exempted from all FATCA reporting on the accounts in the places where they live. No one hides taxable income in the bank accounts in the country where they live.

Can I send your legislative assistant who handles tax matters a briefing note which summarizes the concerns and demands of Americans abroad?

[Write down the name, title, email address of the person you'll send the note. Email them with this link: bit.ly/23TaxProblemsForAmericansAbroad].

Thank you very much for your time, your service to Representative [name of Representative] and for your help.

FIGHT FOR TAX REFORM – Add your voice to the fight

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].

June 15th is the deadline for international tax filers. This time of year, millions of Americans like me, living outside the United States, struggle 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 extended and advance Child Tax Credit Congress passed in March is not accessible by American parents living abroad. How can that be fair?

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[Write down the name, title, email address of the person you'll send the note. Email them this link: bit.ly/23TaxProblemsForAmericansAbroad].

Thank you very much for your time, your service to Senator [name of Senator] and for your help.



FIGHT FOR TAX REFORM – Write your Representative



Writer's Name
Address

Representative's name
Address

Date

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].

June 15th is the deadline for international tax filers. This time of year, millions of Americans like me, living outside the United States, struggle 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 extended and advance Child Tax Credit Congress passed in March is not accessible by American parents living abroad. We don't know why, but we know it is not fair and it is not right.

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Foreign financial account reporting requirements also need updating and Americans abroad should be exempted from all FATCA reporting on the accounts in the places where they live. No one hides taxable income in the bank accounts in the country where they live.

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. And I think it is totally unreasonable for me to pay a tax preparer to help me file a tax return that shows the IRS I owe \$0 in tax.

Thank you.

Kind regards,

Name

Voting Address

Voting city, state, zip code

FIGHT FOR TAX REFORM – Write your Senators



Writer's Name
Address

Senator's name
Address

Date

Dear Senator _____

Re: Seeking your support for tax reform for Americans abroad

I vote in your 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].

June 15th is the deadline for international tax filers. This time of year, millions of Americans like me, living outside the United States, struggle 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 extended and advance Child Tax Credit Congress passed in March is not accessible by American parents living abroad. We don't know why but we know it is not fair and it is not right.

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Thank you.

Kind regards,

Name

Voting Address

Voting city, state, zip code

FIGHT FOR TAX REFORM – Send a Postcard

Better yet, get a group together and **write a whole batch of postcards!!**



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 value our citizenship and love our country.

Please do not exclude us from the transformational tax policy being developed this year.

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 value our citizenship and love our country.

Please do not exclude us from the transformational tax policy being developed this year.

Thank You



THANK YOU!!

Questions? Get in touch with the Democrats Abroad Taxation Task Force at
TaxationTF@democratsabroad.org

Tax reform will happen when enough Americans abroad reach out to their elected representatives and demand it.