Date: May \_\_\_\_, 2018

Regarding: Statement for the Record relating to the May 16, 2018 Hearing Series on Tax Reform: Growing Our Economy and Creating Jobs

# Topic of Statement: The devastating impact that the 17.54% Repatriation and GILTI Taxes have on Americans living overseas

Dear Chairman Brady, Congressman Neal and all Members of the Committee,

I am writing to submit a Statement for the Record relating to the May 16 Hearing Series on Tax Reform and to request exemption for overseas Americans from the Repatriation Tax and GILTI tax regime.

As you are probably aware, the Repatriation Tax and GILTI Tax regimes (which were intended for corporate multinationals like Google and Apple) have and will continue to have a devastating impact on a large and unintended group: Americans living abroad who are individual U.S. Shareholders of CFCs.

Large corporations with foreign subsidiaries will pay a one-time 15% Repatriation Tax in exchange for no longer having to pay US taxes on income earned overseas. Unfortunately, that is not true for overseas Americans who run small businesses. They will have to pay a 17.5% Repatriation Tax and will continue to have to pay US taxes on their overseas profits. This is potentially disastrous for small businesses run by overseas Americans.

These taxes will definitely be disastrous for me. **[Add your personal story here and delete the red text.]**

On behalf of myself and many other overseas Americans, I ask you to exempt us from these taxes. While I may not have been the intended target of these taxes, they are financially disastrous to me.

The simplest solution would be to implement Territorial Taxation for Individuals, which would link up with the Territorial Taxation for Corporations implemented in the Tax Cuts & Jobs Act of 2017 and remove the unintended, harmful consequences of otherwise beneficial legislation.

If that is not possible immediately, then Americans living abroad should be exempt from the Repatriation and GILTI Tax regimes for any given year so long as: (1) the American meets the conditions set forth under IRC Section 911, and (2) that person is an individual U.S. Shareholder.

I strongly request that the Congress act to correct this most painful problem. I thank you for considering my statement.