



55 Tufton Street  
Westminster  
London  
SW1P 3QL

Senate Finance Committee  
United States Senate  
Washington, D.C. 20510

9th July 2018

Dear Chairman Hatch,

On behalf of the TaxPayers' Alliance in the UK, and many British-Americans investing in our country, I write in sincere support of you and your colleagues' ongoing efforts to modernise the U.S. tax code to meet 21<sup>st</sup> century demands and realities. We strongly endorse the proposal, among others, to shift to a system of territorial taxation for corporations.

However, at such a critical juncture, more can and must be done to ensure that tax reform reaches its maximum potential. Specifically, as your Congress considers a territorial tax system for corporations, we think a territorial tax system for U.S. citizens should also be adopted. This will reduce confusion between the two systems, level the competitive playing field and promote exports.

Representing one of the largest tax advocacy groups in the UK, we sit on the frontlines of commercial diplomacy in the country. As such, our partners have first-hand experience and keen insights into the competitive challenges facing American corporations and American citizens living and working in the UK. America's worldwide system of taxation directly impacts the competitiveness of both.

It is at times frustrating that so much attention is focused on bringing the tax code into the 21<sup>st</sup> century for American business - primarily via the shift towards a territorial tax regime — but not for hardworking American citizens abroad. Only the U.S. and Eritrea currently tax their citizens abroad - a reality that deeply disadvantages American workers against their counterparts from literally every country in the world.

Noting the Finance Committee's recognition of these frustrations, this disparate treatment only promises to sow further confusion in an already complex system and undermine the overarching policy goal of spurring American innovation and growth both domestically and abroad.

Andrew Allum - Chairman |  
Matthew Elliott - Founder |  
John O'Connell - Chief Executive |

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TaxPayers' Alliance is a trading name of The TaxPayers' Alliance Limited, a company incorporated in England & Wales under company registration no. 04873888 and whose registered office is at 55 Tufton Street, London SW1P 3QL.

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Companies must pay a premium to hire American workers in order to ameliorate the additional tax obligations arising from the US' worldwide system of taxation.

We believe that the most prudent path forward is through harmonizing the tax treatment between corporations and individuals vis-a-vis a shift to territoriality. As discussions continue, the TaxPayers' Alliance in the UK looks forward to staying engaged with you and your colleagues on these important issues impacting American citizens living and working overseas.

Yours sincerely,

A handwritten signature in black ink, appearing to read "J. Price".

James Price  
Campaign Manager  
TaxPayers' Alliance  
London, UK

Andrew Allum - Chairman |  
Matthew Elliott - Founder |  
John O'Connell - Chief Executive |

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