Committee on Ways and Means submission

The Executive Branch budget says "I'll gladly take your hamburger today, and maybe earn some revenue to pay back in 2020"

U.S Extra-Territorial Personal Income Taxation First Loses Revenue---then Might Gain Back a Little of What it Lost

Specific information to make our broken tax code simpler, flatter, and fairer

Summary: America's existing extra-territorial personal income tax creates exorbitant IRS costs, extreme burdens upon those taxed, and places unfair applications to individuals. This tax regime has been shown to negatively affect the U.S. corporate export workforce, and has direct correlation with the U.S. trade deficit. Extraterritorial taxation loses money today, with an unrealistic hope of maybe gaining back revenue later. Extraterritorial taxation must end now.

Background: U.S. and Eritrea share the honor of being the only regimes which require tax filing and taxation of their expat and emigrant populations. U.S. is unique in that it applies (unfairly) to widely-defined "U.S. Persons for Tax Purposes". This is often called "Citizenship Based Taxation (CBT), "US-Person Based Taxation" or "Extraterritorial taxation"

Purpose of Taxation: Tax systems were meant to fund government services for residents, such as defense, transportation systems, health systems, social services, and education. U.S. consulate services are funded by fees. **There is no justification for taxation of non residents**. [1]

Theory of existing U.S. Extraterritorial taxation: This extra-territorial tax theoretically "taxes up" U.S. Persons to the higher of the U.S. tax rate or the tax rate of residence. This is not done directly--the taxpayer is required to first declare all income and foreign taxation, and then to *attempt* to exclude some of the income and to *attempt* to credit the foreign income taxes.

Flat Tax: No. Please note that if the "Flat Tax" would violate this "taxing up" concept and apply 10% income tax across the board to all US persons for tax purposes. If this is done without foreign tax credits and without foreign exclusions, the result would be double taxation upon U.S. expats. This would not only be unfair, it would violate all of the existing tax treaties. In its current form, I aggressively oppose this flat tax.

Fair Tax: Yes. Note that the "Fair Tax" would eliminate the income tax altogether and replace it with a domestic consumption tax. This would be fair for U.S. expats as only U.S. domestic consumption would be taxed. I support that.

Further Discussion upon eliminating U.S. Extra-Territorial Taxation: USA Losing Money by Increasing Taxation Efforts upon Expats:

[1] Elimination of Citizenship Taxation, April 11, 2015 https://drive.google.com/a/taxconnections.com/file/d/0B7VqDyDIAgW2SVZPSE1aX0xoZzg/view?pli=1

Taxation Without Representation: It's amazing that America has forgotten that it was founded as a revolt against Taxation Without Representation. And now America is taxing its expats without representation. There have been thousands of letters to representatives with no response, describing the below situation. The last Senate Finance call for tax reform yielded between 48% and 75% of the respondents from the expat population. [2]

The Revolution is underway: Thousands of U.S. citizens have been renouncing and relinquishing their citizenships. Their are waiting lists at all of the 300 U.S. consulates. Thousands more have given up their greencards. The U.S. diaspora population has been decimated. The figures presented by the Federal Register are dishonest, and countless Freedom of Information requests for the real renunciation numbers remain unfulfilled. Each congressperson has the ability to ask for the real renuncation numbers from the state department, but has yet to do it. These are not the Ex-Patriots your colleagues like to denigrate, these are persons of modest means who are being forced to leave to maintain their pursuit of happiness and their financial security.

Example from IRS return data: During the 2008 to 2012 era, billions of dollars were spent to increase extra-territorial tax enforcement by 103,501 additional submissions [3] --yet no revenue was gained. The average income of the additional extra-territorial tax submissions was only $35,000---which is less than the foreign exclusion and which yields no tax revenue.

FATCA: A Money-Losing Misdirected Global Citizen-Tracking System: Whereas U.S. had identified a justified problem in not knowing about the international location of the assets of U.S. of a small quantity of U.S. residents, it initiated FATCA. However, instead of a search for a small quantity of resident U.S. scofflaws, FATCA became a massive global search for all 8.7 million U.S. expats[4] and their families. Instead of searching in banks for persons with a U.S. address, FATCA searches for United States Persons for Tax Purposes. This expensive misdirection collects no new tax revenue, as an expat's passive income is seldom if ever attributable to U.S. taxation (it receives tax credits). Hence, instead of chasing a few thousand tax-evading scoundrels residing in US who rightly owe US taxes, FATCA chases 8.7 million U.S. expats around the globe who rightfully owe no U.S. tax.

A cost/benefit analysis of FATCA was never performed prior to adoption of FATCA in 2010. The IRS's Taxpayer Advocate Service stated in its 2013 Annual Report to Congress "The Congressional Joint Committee on Taxation estimates FATCA will generate additional tax revenue of approximately $8.7 billion over the next ten years. By way of comparison, industry sources believe that overall private sector implementation costs could equal or exceed the amount that FATCA is projected to raise."

FATCA implementation costs to the Global Financial System: FATCA has forced compliance programs in all of the banks of the world. "FATCA requires major initial investment within an

[2] Submissions to Senate Finance Committee http://fatca.eu.pn/

[3] Latest Foreign Earned Income Exclusion statistics: in five years, IRS offshore crusades added a hundred thousand ordinary new filers who don't owe any U.S. tax, August 2014, http://isaacbrocksociety.ca/2014/08/24/latest-foreign-earned-income-statistics/

[4] BY THE NUMBERS, PASSPORTS INTERNATIONAL TRAVEL VISAS, U.S. Department of State • Bureau of Consular Affairs http://travel.state.gov/content/dam/travel/CA%20by%20the%20Numbers-%20May%202015.pdf

institution, estimated at $25,000 for smaller institutions, to $100,000 to $500,000 for most institutions and $1 million for larger firms."[5] The Global cost of implementation has been low estimated at US$8 billion a year (approximately ten times the amount of estimated revenue raised) [6], or $58 billion to $170 billion,[7] or $200 billion over 10 years [8] , and a chapter of the Chamber of Commerce estimated FATCA global implementation costs to be $1-2 trillion USD.[9]

These costs in each country are incredible, for so little return in so many countries where no one would dream of sending their money to avoid taxation. For example, Sweden's financial industry pays an astounding $66,000 per located U.S.-person and that person's financial account.[10]

<u>FATCA implementation costs to the U.S. Financial System:</u> IRS revenue loss from tax revenue of U.S. FATCA compliant firms in USA: There are approximately 1000 U.S. firms registered as FATCA-certified FFI's.[11] As discussed above, each U.S. FFI loses $25,000 to $1 million, and hence U.S. loses 39.6% taxation upon those losses.

<u>FATCA implementation costs to U.S. firms located overseas:</u> The IRS loses revenue (39.6%) on U.S.-owned firms who must incur FATCA implementation costs. . "This calculation would indicate that, when just looking at the assets of banks in the United States, FATCA would result in an annual decrease of $517 million in tax revenue for the US and a one-time loss of $2.6 billion. Over 10 years that would amount to $7.77 billion, almost the same as the estimate marginal revenue to be gained."[12]

<u>FATCA implementation costs to the IRS:</u> There are few reliable estimates for the additional cost burden to the U.S. Internal Revenue Service. The FATCA bill approved 800 additional IRS employees (cost estimated to be $40 – $160 million per year). According to a TIGTA report, the cost to develop the FATCA XML data website is $16.6 million (which is $2.2 million over the budgeted amount, partly due to designing the FATCA portal to provide reciprocal data which is not in the scope of FATCA legislation). However, "IRS also submitted a budget request of $37.1 million for funding FATCA implementation for 2013, including the costs to staff examiners and agents dedicated to enforcing FATCA, along with IT development costs. This budget request does not identify the resources needed for implementation beyond fiscal year 2013" The I.R.S.

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[5] Executive, FATCA – Region preparing for Uncle Sam, Forthcoming US rules loom large over Middle Eastern banking sectors, Paul Cochrane http://www.executive-magazine.com/business-finance/finance/fatca-answering-to-uncle-sam

[6] Wood, Robert W. (November 30, 2011). "FATCA Carries Fat Price Tag". Forbes. http://www.forbes.com/sites/robertwood/2011/11/30/fatca-carries-fat-price-tag/

[7] FATCA The Loser: Costs the World $100 billion: Transparent Calculations http://isaacbrocksociety.ca/2016/02/12/fatca-the-loser-costs-the-world-100-billion-transparent-calculations/

[8] FATCA Global Implementation Costs Revealed http://isaacbrocksociety.ca/2014/10/20/fatca-global-implementation-costs-revealed-cross-post-guest-post/

[9] FATCA: SWATTING FLIES WITH ATOM BOMBS http://www.amcham.ch/media/downloads/150408_FATCA.pdf

[10] https://en.wikipedia.org/wiki/Foreign_Account_Tax_Compliance_Act#Implementation_cost

[11] IRS FATCA Foreign Financial Institution (FFI) List Search and Download Tool https://apps.irs.gov/app/fatcaFfiList/flu.jsf

[12] Republicans Overseas, Submission to Senate Finance Committee April 14, 2015 http://fatca.eu.pn/docs/Republicans%20Overseas.html

"has been unable to ascertain all potential costs beyond those for IT resources." [13] Each year, the president's budget proposal requests additional funds for *additional* IRS resources for FATCA implementation and for implementing reciprocal data to be sent from USA to foreign countries.

Tax filing costs in the IRS: The goal of this extra-territorial taxation system is for all of those eligible of the 8.7 million U.S. expats should *file* taxes (not *pay* taxes)--no matter what it might cost the IRS to process those tax returns. Keep in mind, that each U.S. expat tax return is far more complex than any domestic U.S. tax return. The returns are, at minimum, double the complexity of a domestic return. An expat's tax bill begins at $500 per year and only goes up.

International Information returns provide exhorbitant cost to IRS, no revenue, and smother business activity: Domestic Americans do not file individual information returns on business activity. Domestic Americans understandably file individual information returns on foreign business activities, this is done on forms such as F5471 and others. Expat Americans are required to file individual US information returns (5471) upon what is domestic (to them) business activity. Expats are fully governed by laws in their non-US jurisdiction. There is no reason for U.S. to double-check a U.S. expat's business activity in the jurisdiction where he lives. Comity rules are fully adequate to have any individual oovered by the laws of the resident country.

The form 5471 and other information return provides no revenue to the U.S. treasury. Form 5471 (with schedules) alone requires 175 hours of preparation time,-about $17,500 of accounting costs. The GAO is able to estimate its own hours and costs for receiving and reviewing 175 hr returns.[14] With no tax revenue, the IRS burdens itself in yearly costs reviewing expat's business activities which are already reviewed by the country of their residence. The small businesses of Americans overseas are at a $17,500 yearly disadvantage against their non-US competitors.

Summary of IRS losses for international taxation: These IRS functions do not create revenue--they create administrative costs which draw from the revenue. The IRS leadership might very

[13] G.A.O.Report to the Committee on Finance, U.S. Senate FOREIGN ACCOUNT REPORTING REQUIREMENTS, IRS Needs to Further Develop Risk, Compliance, and Cost Plans, p 14 http://www.gao.gov/assets/600/590142.pdf
[14] https://www.irs.gov/pub/irs-pdf/i5471.pdf

well consider its budget as beneficial to itself (such as a higher employment budget which we could call the IRS' hamburger), but this budget is a drawdown upon government revenue. The exorbitant costs and revenue losses to the IRS are current and incurred every year, whereas revenues on international taxation are poory assumed and definitely future. This is very bad business policy. The IRS wants its hamburger today, but its revenue stream is far off in the future--more like 2020 rather than Tuesday.

IRS not gaining revenue on its extra-territorial taxation

The paragraphs above show that huge IRS organizational costs run yearly to try to "bring foreign taxpayers into compliance". The following paragraphs will show that "compliance" brings all the paperwork and its costs described above but little additional U.S. tax revenue. As the Obama budgets continually ask for more IRS employees and higher costs of administration, Congress realizes that additional cost yields not additional revenue--it only yields additional costs.

53.7% of U.S. expats live in countries whose tax rate is higher than U.S. and cannot provide IRS tax revenue: As the U.S. extra-territorial tax system concept is to "tax-up" to the highest level of the expat's residence country and the U.S., taxing up cannot happen if the residence tax country is higher. 53.7% of U.S. expats live in countries whose tax rates are higher than U.S.--they can't be "taxed up".[15]

Insignificant Tax Revenue from unfair reverse tax loopholes: Currently, USA gains only some small revenue using unfair methods, where the attempt to exclude/credit fails for the expat and the expat pays unfair and/or double tax. For example, UK applies sales tax to the purchase of a UK house (US does not), but USA collects capital gains upon the sale of a UK house. Norway charges an 8% social tax upon a US expat. Social taxes are not creditable--the expat pays both Norway social tax and US income tax upon same income. An expat's Swedish lottery winnings are pre-taxed before payout--USA taxes them after payout. An expat's Canadian pension plans are tax-deferred - yet taxed by USA. An expats non-US mutual fund is labeled a PFIC and taxed by USA at rates higher than the fund's gains. These examples are of the many instances where the IRS uses reverse loopholes in the taxation regulations and taxation statutes, so as to unfairly tax up expats on any instance which is possible. None of these cheater loopholes add any significant revenue to US, however they are extremely unfair to U.S. citizens overseas. In the paragraphs above and paragraphs below, these insignificant and unfair taxes are considered to be negligible.

92.5% of U.S. expats live in high-tax countries and do not create IRS tax revenue: 92.5% of U.S. expats live in countries whose tax rates exceed 28%.[16] In order to reach the U.S. tax rate of 28%, their yearly incomes must be very high. These incomes are in the top 1% of the countries where

[15] US Expats Evade Taxation? NOT. #Mythbusted : 92.5%% of expats live in high-tax regions, #Factcheck http://isaacbrocksociety.ca/2016/03/08/us-expats-evade-taxation-not-mythbusted-91-5-of-expats-live-in-high-tax-regions/

[16] US Expats Evade Taxation? NOT. #Mythbusted : 92.5%% of expats live in high-tax regions, #Factcheck http://isaacbrocksociety.ca/2016/03/08/us-expats-evade-taxation-not-mythbusted-91-5-of-expats-live-in-high-tax-regions/

they reside. Less than 1% of the expats in any of those countries would add U.S. tax revenue and the revenue they would add would be insignificant.[17]

<u>An additional 5.2% are likely dual citizens living in lesser-developed countries:</u> 5.2% of the U.S. citizens live in lower-taxed countries where they are likely not "expats", rather they are dual citizens who have returned to their home countries. Here is a list of those countries and the tax rates. None of these are "tax havens", they are simply places where people live.

15% < tax < 25%	Afghanistan	0.0%
	Albania	0.1%
	Angola	0.0%
	Belarus	0.0%
	Bosnia and Herzegovina	0.0%
	Cambodia	0.0%
	Czech Republic	0.2%
	Egypt	0.2%
	Estonia	0.0%
	Georgia[Note 12]	0.0%
	Guinea-Bissau	0.0%
	Hong Kong (China)	0.5%
	Hungary	0.3%
	Isle of Man (UK)	0.0%
	Jersey (UK)	0.0%
	Kazakhstan	0.0%
	Laos	0.0%
	Latvia	0.0%
	Lebanon	0.0%
	Liechtenstein	0.0%
	Lithuania	0.0%
	Madagascar	0.0%
	Mauritius	0.0%
	Moldova[Note 13]	0.0%
	Montenegro	0.0%
	Myanmar	0.0%
	Nigeria	0.0%
	North Korea	0.0%
	Palestine	0.3%
	Romania	0.1%
	São Tomé and Príncipe	0.0%
	Seychelles	0.0%
	Singapore	0.6%
	Sri Lanka	0.0%
	Syria	0.0%
	Tonga	0.0%
	Ukraine[Note 6]	0.1%
	Uzbekistan	0.0%
	Yemen	0.0%
15% < tax < 25% Total		2.5%
Total		2.5%
10% < tax < 15%	Andorra	0.0%
	Bulgaria	0.1%
	East Timor	0.0%
	Jordan	0.1%
	Kyrgyzstan	0.0%
	Libya	0.4%
	Macau (China)	0.0%
	Macedonia	0.0%
	Marshall Islands	0.1%
	Micronesia	0.0%
	Mongolia	0.0%
	Paraguay	0.1%
	Russia[Note 4]	0.2%
	Switzerland	1.4%
	Tajikistan	0.0%
10% < tax < 15% Total		2.2%

[17] #CBT #FATCA: #IRS is Losing Money Taxing U.S. #Expats? http://isaacbrocksociety.ca/2016/03/11/cbt-fatca-irs-is-losing-money-taxing-u-s-expats/

?	Abkhazia[Note 19]	0.0%
	Akrotiri and Dhekelia	0.0%
	Åland Islands (Finland)	0.0%
	Alderney	0.0%
	Anguilla (UK)	0.0%
	Antigua and Barbuda	0.1%
	Bermuda (UK)	0.1%
	Bonaire (Netherlands)	0.0%
	BOUVET ISLAND	0.0%
	British Virgin Islands (UK)	0.0%
	Caribbean Netherlands	0.0%
	Christmas Island (Australia)	0.0%
	Cocos (Keeling) Islands (Australia)	0.0%
	Cook Islands	0.0%
	Curaçao (Netherlands)	0.0%
	Equatorial Guinea	0.0%
	Eritrea	0.0%
	Falkland Islands (UK)	0.0%
	Faroe Islands (Denmark)	0.0%
	Federated States of Micronesia	0.0%
	French Guiana (France)	0.0%
	French Polynesia (France)	0.0%
	French Southern and Antarctic Lands (France)	0.0%
	Grenada	0.0%
	Guadeloupe (France)	0.0%
	Guernsey (UK)	0.0%
	Iraq	0.0%
	Kosovo[Note 14]	0.0%
	Maldives	0.0%
	Martinique (France)	0.0%
	Mayotte (France)	0.0%
	Monaco	0.0%
	Montserrat (UK)	0.0%
	Nagorno-Karabakh Republic[Note 20]	0.0%
	Nauru	0.0%
	Niue	0.0%
	Norfolk Island (Australia)	0.0%
	Northern Cyprus[Note 18]	0.0%
	Northern Mariana Islands (U.S.)	0.0%
	Palau	0.0%
	Pitcairn Islands (UK)	0.0%
	Puntland (Somalia)	0.0%
	Réunion (France)	0.0%
	Saba (Netherlands)	0.0%
	Saint Barthélemy (France)	0.0%
	Saint Helena, Ascension and Tristan da Cunha (UK)	0.0%
	Saint Kitts and Nevis	0.0%
	Saint Pierre and Miquelon (France)	0.0%
	Saint-Martin (France)	0.0%
	Sint Eustatius (Netherlands)	0.0%
	Sint Maarten (Netherlands)	0.0%
	Somalia[Note 10]	0.0%
	Somaliland (Somalia)	0.0%
	South Ossetia[Note 21]	0.0%
	South Sudan	0.0%
	Sudan	0.0%
	Svalbard and Jan Mayen (Norway)	0.0%
	Tokelau (NZ)	0.0%
	Transnistria[Note 17]	0.0%
	Turks and Caicos Islands (UK)	0.0%
	Tuvalu	0.0%
	Vanuatu	0.0%
	Vatican City	0.0%
	Wallis and Futuna (France)	0.0%
	Western Sahara[Note 16]	0.0%
? Total		0.5%

<u>Only 2.2% of the U.S. expat population lives in "tax havens", but for good reason:</u> Americans who live in countries with very low tax rates (countries with less than 10% income tax rates), are able to provide the IRS with tax revenue due to the "taxing-up" concept. There are very few of them: 2.2% of the U.S. expat population

0% < tax < 10%	Bahrain	0.0%
	BRITISH INDIAN OCEAN TERRITORY	0.0%
	Brunei	0.0%
	Cayman Islands (UK)	0.1%
	Guatemala	0.3%
	Kuwait	0.2%
	Oman	0.0%
	Qatar	0.1%
	Sark	0.0%
	Saudi Arabia	0.7%
	The Bahamas	0.3%
	United Arab Emirates	0.5%
0% < tax < 10% Total		2.2%

A number of these countries with ultra-low tax rates receive their government revenue from other sources. Bahrain, Brunei, Kuwait, Oman, Qatar, and UAE fund their governments with income from their extraction of natural resources (oil) rather than from income tax. UAE funds its government with an exorbitant business tax. These countries are no different than US states that charge no income tax: Alaska, Florida, Nevada, South Dakota, Texas, Washington, and

Wyoming . None of these states or countries are luxurious tax havens that Americans are flocking to in order to avoid taxation. Rather, these are countries where U.S. expats go to work for American companies to aid in American commerce and increase profits in American companies. It's tragic that Washington rhetoric and IRS enforcement crews are out chasing after productive Americans who are increasing the trade of U.S. companies.

This leaves us with a few warm luxurious places. The Bahamas and Cayman islands are low tax regions where 0.4% of U.S. expats go to live--just like Florida. But then--are they going there to live out luxury--or are they more likely going there to work in the finance sector? Isn't it important that America has Americans living and working in the world's financial centers?

Guatemala is also a warm place--good for relaxing in luxury in a low tax country. But it's actually a place where expenses are low and Americans can retire with low savings accounts. Guatemala is popular place for U.S. military veterans to retire. It is also a place where Guatemalan/US dual citizens of modest means live.

FATCA revenues are too far down the road: When passed, FATCA was said to have an 11 year revenue stream of 8.7 billion USD.[18] The costs listed above are both immediate and run year-by-year. FATCA is good money chasing bad.

FATCA revenues are regressive penalties, not tax: FATCA's revenue is not from taxation, it is from penalties. For the average participant in the Offshore Voluntary Disclosure Program (OVDP), the average penalty was more than 8 times the tax owed, and for the poorest participants (the lowest decile) the penalty was 129 times the tax owed. [19]

FATCA promised revenue-damaging reciprocal data: Without Congressional approval, Treasury made agreements with governments (including unstable foreign countries such as Brazil, Croatia, Israel, Kosovo, Mexico, Qatar, Uzbekistan, Algeria, Azerbaijan, Bahrain, China, Columbia, Georgia, Serbia, Thailand, Turkey, Ukraine, UAE, Angola, Cambodia, Kazakhstan, Tunisia) to provide reciprocal information. These promises of reciprocal data exchange will scare away investors in US financial instruments, resulting in huge losses of U.S. profits and U.S. revenues. Can you imagine that America and its FATCA could not trust Americans---therefore America entrusted countries such as China and Georgia and Ukraine to search out U.S. citizens?

Summary: There are no tax havens with luxurious living expats. It's a myth. The IRS gains no significant revenue from U.S. expats, and the gains are far off in the future and should be time-discounted. The IRS is losing money each year on extra-territorial tax collections.

U.S. Needs Expats for International Trade: The late Roger Conklin has described how the U.S. trade balance went from positive to negative due to the enforcement of U.S. Extraterritorial

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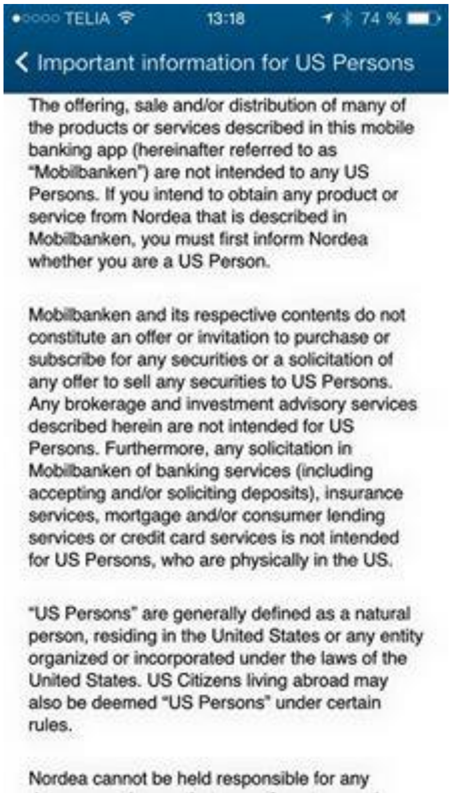
[18] Joint Committee on Taxation estimated (JCX-5-10 (Doc 2010-3977))

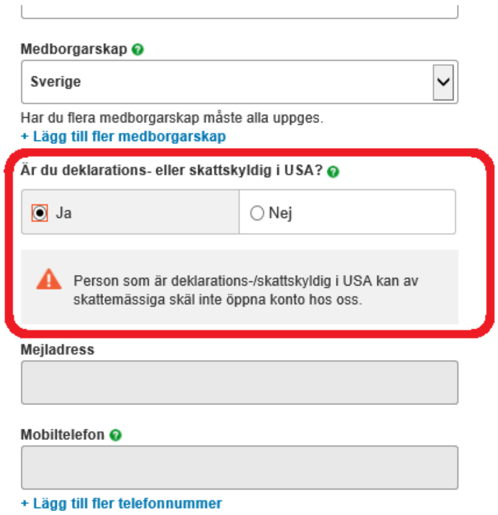
[19] GAO report reveals OVDP minnows paid penalties of as much as 129x tax owed http://isaacbrocksociety.ca/2013/04/27/gao-report-reveals-ovd-minnows-paid-up-to-129x-more-in-penalties-than-in-tax-owed/

Citizenship-Based Taxation (CBT). [20] CBT caused the U.S. trade balance to go negative in 1976, and it has never recovered. Mr. Conklin's testimony must be read in full.

Additional anti-expat legislation: The Bank Securities Act of 1933 disallows non-US institutions to sell financial products to U.S. citizens. This means that expats cannot purchase any financial product which MIGHT contain U.S. securities at his local expat bank. Many banks such as Nordea and Avanza discriminate against U.S. persons as a result.



[20] Statement of Roger Conklin, Retired International Sales and Marketing Executive: The Negative Consequences of Citizenship-based Personal Taxation on the Competiveness of American Companies and the Resulting Destruction of Jobs for American Workers
http://waysandmeans.house.gov/UploadedFiles/Retired_International_Sales_and_Marketing_Executive.pdf


Medborgarskap
Sverige
Har du flera medborgarskap måste alla uppges.
+ Lägg till fler medborgarskap
Är du deklarations- eller skattskyldig i USA?
Ja
Nej
Person som är deklarations-/skattskyldig i USA kan av skattemässiga skäl inte öppna konto hos oss.
Mejladress
Mobiltelefon
+ Lägg till fler telefonnummer

<u>Recommendation:</u>

Congress needs to immediately begin saving costs and eliminate its extraterritorial Citizenship Based Taxation. It cannot wait for a long debate about Fair Tax and Flat Tax. Each year, the U.S. Treasury bleeds money to pay hundreds of thousands of IRS employees and contractors to perform work upon U.S. expats' tax retirms which generate very little revenue and only revenue which is unfairly assessed.

Congress can order an independent study to confirm its conclusions, *in parallel* with the immediate cessation of Extraterritorial taxation. This study cannot be performed by the Treasury and IRS bureaucrats whose jobs are fed by the U.S. Treasury to raise negligible revenue from expats. Please stop the bleeding of U.S. government funds now.