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United States Senate
Committee on Finance
Washington, DC
U.S.A.

Dear Sirs,

I have resided permanently in Sweden since 1968 at which time I married a Swedish girl who is still my wife. We have six grown daughters who are all American citizens, two of which have married Americans and now reside in the States. Since moving here almost 50 years ago, I have filed income tax returns in both the United States and Sweden, as well as more recently FBAR in the States. Exactly why citizens living and paying taxes abroad must file in the U.S. has always puzzled me since in effect, this is taxation without representation which, if I remember correctly, is why we fought against the British during the American Revolution.

Having lived permanently in Sweden for so long, you can well understand that with the exception of a small investment in the States, all of my income, investments, insurance plans, pension funds, etc. are here in Sweden. You must also realize that this category of expats are not trying to launder money or cheat either the U.S. or Sweden out of their share of taxes just because we happen to live overseas. Needless to say, having to file in the U.S. means quite a bit of expense, a lot of time and is frustrating due to the physical number of forms which must be filled in since these are primarily designed for U.S. residents who at best only have a very few foreign investments, bank accounts, insurance policies, etc.

And then if and when something goes wrong, which is probably due to the monstrous size and complexity of the IRS, it is almost impossible to straighten things out or even get an answer from them. They dunned me for several years claiming that I owed back taxes despite the fact that I and my U.S. accountant sent them proof twice that this was not the case. To make matters worse, these dunning letters always arrived after the stipulated due date given in the letter which in turn meant that the amount of money that I supposedly owed them kept increasing. It turned out that these letters were evidently first sent to London and re-mailed from there, most likely to save money or whatever and for some reason always arrived too late.

Despite numerous letters about this problem, to which I never received an answer, the dunning letters kept coming. I finally called the IRS, waited on hold for almost an hour which is quite expensive and talked to someone with very little command of the English language about the problem, only to be told that I was evidently wrong and really did owe the money already paid. What's more, the lady explained that whatever the case may be, it takes time to get an answer to letters sent to the IRS! But should it really take more than a year from the date I sent the letters and

shouldn't I finally get an answer? Never did get a reply so I tried to view the status of my payments to the IRS on the internet as instructed by the agent I talked to on the phone. This proved impossible due to technical problems that they were/are having with their system, so in the end I just gave up.

Now on February 21st this year, I received an e-mail from the IRS regarding Tax Exemption Notification requiring me to fill in form W-8BEN and return it to them within 7 days or otherwise lose my non-resident status. I immediately downloaded the form and read the instructions given, only to discover that I should not file this form since I am an American citizen, but instead should file form W-9. I checked out the W-9 form but it also did not apply to me so I replied by e-mail to IRS agent Angela Barrett who had sent the e-mail, asking her what I should do in order to maintain my non-resident status. I also requested a reply within 7 days since I assume that this is the standard reply time for the IRS. To date I still have heard nothing from her/them!

Although I live abroad, I am still a U.S. citizen and feel that I should be treated as such as long as I adhere to the rules and laws which apply to all citizens. But when something goes wrong or I have a valid complaint or problem that those responsible are unwilling or unable to solve, who am I supposed to turn to with my case? I have no Congressman and no Senator who I can write to as a last resort seeing as how the IRS has never answered any of the letters or e-mails that I have written.

To make matters worse, one of the investment firms (Avanza) that I want to work with here, refuses to accept my business because I am an American citizen. What's worse, my local bank is also starting to question the whole situation. It's sort of like Catch 22 and neither I nor my 4 daughters living here see an easy way out. They are also American citizens who file in the States. Needless to say, they have talked about giving up their US citizenship in order to avoid all of these problems and extra work entailed.

To sum things up, the present situation regarding income tax for US citizens who live and work abroad permanently and have done so for years is both unfair, most likely unconstitutional (or at least it should be) and just plain sucks! To my knowledge, aside from Eritrea, the United States is only the country who taxes its citizens regardless of where they officially reside. This is nothing that an American can be proud of and hopefully this situation will be changed in the upcoming tax reform and take into account the situation of those of us permanently living abroad.

Yours sincerely,

Frederic C. Schaefer