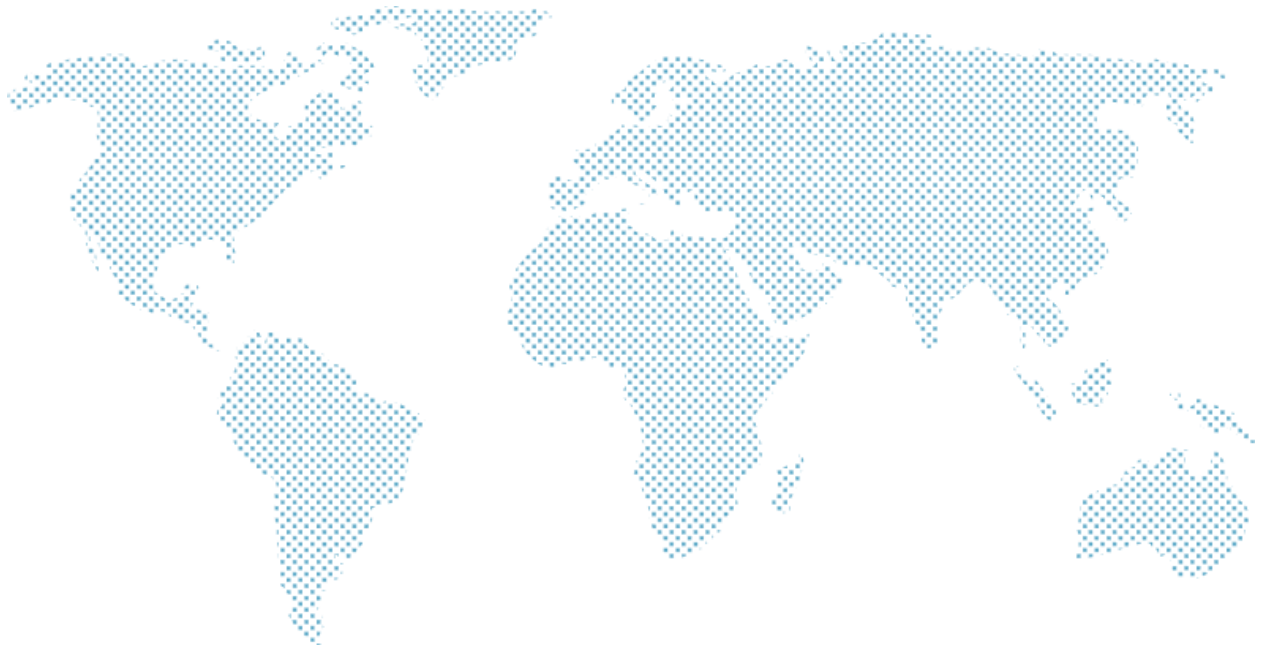


# TAX FILING FROM ABROAD

RESEARCH ON NON-RESIDENT AMERICANS AND U.S. TAXATION

March 2019

## DATAPACK



DEMOCRATS ABROAD

200 South Capitol Street SE

Washington, DC 20003

Tel: 1-202-621-2085

[TaxationTF@democratsabroad.org](mailto:TaxationTF@democratsabroad.org)

[Democratsabroad.org/taxation](http://Democratsabroad.org/taxation)

## TABLE OF CONTENTS

| Section |   | Page |
|---------|---|------|
|         | Introduction  | 3    |
| I       | Demographics of Survey Participants                   | 4    |
| II      | Other Relevant Personal Information                   | 9    |
| III     | “Accidental Americans”                                | 13   |
| IV      | Foreign Financial Account Reporting                   | 14   |
| V       | Saving and Investing for the Future                   | 17   |
| VI      | U.S. Banking, Saving and Investing                    | 18   |
| VII     | Tax Filing and Financial Account Reporting Compliance | 20   |
| VIII    | 2017 Tax Cuts and Jobs Act “Transition Taxes”         | 23   |

## **INTRODUCTION**

Organizations representing Americans abroad have been working for decades to persuade Congress to enact remedies to address the serious problems they face being subjected to U.S. taxation while living and working outside of the U.S. This research project was designed to describe the Americans abroad community and the genuine financial and personal challenges they face due to U.S. tax, financial account reporting, banking, securities and other laws, many of which were developed without due consideration for the impact they would have on non-resident citizens.

From Monday, January 21, 2019 through Sunday, February 2, 2019 Democrats Abroad invited Americans abroad to participate in research developed to better understand their experience complying with a range of laws and regulations that impact them uniquely because they reside outside of the United States. This data was obtained from the analysis of 9,885 submissions from Americans from all U.S. states living in 123 countries across six continents.

We publish this data hoping that it will be of use to all those advocating for reforms to the way the U.S. taxes non-resident citizens. Please send questions or comments to [taxationtf@democratsabroad.org](mailto:taxationtf@democratsabroad.org).

## SECTION I. DEMOGRAPHICS OF SURVEY PARTICIPANTS

| Table I.1: Gender |               |
|-------------------|---------------|
| Female            | 61.0%         |
| Male              | 37.6%         |
| Prefer not to say | 1.2%          |
| Other             | 0.1%          |
|                   | <b>N=9816</b> |

| Table I.2: Citizenship        |               |
|-------------------------------|---------------|
| Dual Citizen - U.S. and Other | 52.4%         |
| U.S. Citizen                  | 47.1%         |
| Non-U.S. citizen              | 0.3%          |
| U.S. Greencard holder         | 0.2%          |
|                               | <b>N=9828</b> |

| Table I.3: Age |               |
|----------------|---------------|
| 18-24          | 1.3%          |
| 25-34          | 12.1%         |
| 35-44          | 16.2%         |
| 45-54          | 19.0%         |
| 55-64          | 21.6%         |
| 65+            | 29.9%         |
|                | <b>N=9822</b> |

| Table I.4: Highest level of Education |               |
|---------------------------------------|---------------|
| Master's degree                       | 41.6%         |
| Bachelor's degree                     | 29.4%         |
| PhD/JD                                | 16.5%         |
| Some college but no degree            | 5.9%          |
| Other qualification                   | 2.8%          |
| Associate degree                      | 2.5%          |
| High school or equivalent             | 1.2%          |
| Less than High School                 | 0.1%          |
|                                       | <b>N=9815</b> |

**Table I.5: Country of Residence (Top 75 countries)**

|    | <b>Nation</b>        | <b>% Participants</b> |    | <b>Nation</b>      | <b>% Participants</b> |
|----|----------------------|-----------------------|----|--------------------|-----------------------|
| 1  | Canada               | 20.1%                 | 39 | Panama             | 0.2%                  |
| 2  | United Kingdom       | 14.5%                 | 40 | Colombia           | 0.2%                  |
| 3  | France               | 9.8%                  | 41 | Indonesia          | 0.2%                  |
| 4  | Germany              | 9.1%                  | 42 | South Africa       | 0.2%                  |
| 5  | Switzerland          | 4.0%                  | 43 | Vietnam            | 0.2%                  |
| 6  | Australia            | 3.9%                  | 44 | Argentina          | 0.2%                  |
| 7  | Netherlands          | 3.4%                  | 45 | Turkey             | 0.2%                  |
| 8  | Italy                | 2.7%                  | 46 | Malaysia           | 0.1%                  |
| 9  | Sweden               | 2.5%                  | 47 | Dominican Republic | 0.1%                  |
| 10 | Israel               | 2.4%                  | 48 | Cambodia           | 0.1%                  |
| 11 | Spain                | 2.1%                  | 49 | Hungary            | 0.1%                  |
| 12 | Mexico               | 1.9%                  | 50 | Kenya              | 0.1%                  |
| 13 | Japan                | 1.7%                  | 51 | Poland             | 0.1%                  |
| 14 | New Zealand          | 1.6%                  | 52 | Romania            | 0.1%                  |
| 15 | Norway               | 1.6%                  | 53 | Egypt              | 0.1%                  |
| 16 | Belgium              | 1.4%                  | 54 | Iceland            | 0.1%                  |
| 17 | Ireland              | 1.3%                  | 55 | Saudi Arabia       | 0.1%                  |
| 18 | Austria              | 1.2%                  | 56 | Estonia            | 0.1%                  |
| 19 | Denmark              | 1.1%                  | 57 | Haiti              | 0.1%                  |
| 20 | Thailand             | 1.0%                  | 58 | Nepal              | 0.1%                  |
| 21 | Hong Kong            | 0.9%                  | 59 | Peru               | 0.1%                  |
| 22 | Singapore            | 0.8%                  | 60 | Ecuador            | 0.1%                  |
| 23 | Czech Republic       | 0.7%                  | 61 | Georgia            | 0.1%                  |
| 24 | Greece               | 0.6%                  | 62 | Jordan             | 0.1%                  |
| 25 | USA                  | 0.6%                  | 63 | Morocco            | 0.1%                  |
| 26 | Costa Rica           | 0.5%                  | 64 | Ukraine            | 0.1%                  |
| 27 | United Arab Emirates | 0.5%                  | 65 | Croatia            | 0.0%                  |
| 28 | Finland              | 0.5%                  | 66 | Latvia             | 0.0%                  |
| 29 | Luxembourg           | 0.5%                  | 67 | Lebanon            | 0.0%                  |
| 30 | China                | 0.4%                  | 68 | Monaco             | 0.0%                  |
| 31 | Taiwan               | 0.4%                  | 69 | Oman               | 0.0%                  |
| 32 | India                | 0.3%                  | 70 | Qatar              | 0.0%                  |
| 33 | Philippines          | 0.3%                  | 71 | Bahrain            | 0.0%                  |
| 34 | South Korea          | 0.3%                  | 72 | Belize             | 0.0%                  |
| 35 | Portugal             | 0.3%                  | 73 | Myanmar            | 0.0%                  |
| 36 | Brazil               | 0.3%                  | 74 | Isle of Man        | 0.0%                  |
| 37 | Chile                | 0.2%                  | 75 | Kuwait             | 0.0%                  |
| 38 | Guatemala            | 0.2%                  |    |                    | <b>N=8562</b>         |

**Table I.6: Voting State**

| State                | % Participants | State             | % Participants |
|----------------------|----------------|-------------------|----------------|
| Alabama              | 0.4%           | Nebraska          | 0.3%           |
| Alaska               | 0.3%           | Nevada            | 0.7%           |
| Arizona              | 1.7%           | New Hampshire     | 0.8%           |
| Arkansas             | 0.2%           | New Jersey        | 3.2%           |
| California           | 13.2%          | New Mexico        | 0.8%           |
| Colorado             | 2.5%           | New York          | 13.2%          |
| Connecticut          | 2.1%           | North Carolina    | 1.9%           |
| Delaware             | 0.2%           | North Dakota      | 0.2%           |
| District of Columbia | 1.2%           | Ohio              | 2.7%           |
| Florida              | 4.8%           | Oklahoma          | 0.4%           |
| Georgia              | 1.4%           | Oregon            | 1.8%           |
| Hawaii               | 0.5%           | Pennsylvania      | 4.9%           |
| Idaho                | 0.4%           | Rhode Island      | 0.4%           |
| Illinois             | 4.2%           | South Carolina    | 0.4%           |
| Indiana              | 1.4%           | South Dakota      | 0.2%           |
| Iowa                 | 0.8%           | Tennessee         | 0.8%           |
| Kansas               | 0.5%           | Texas             | 4.8%           |
| Kentucky             | 0.4%           | Utah              | 0.3%           |
| Louisiana            | 0.4%           | Vermont           | 0.6%           |
| Maine                | 0.6%           | Virginia          | 2.7%           |
| Maryland             | 2.7%           | Washington        | 4.2%           |
| Massachusetts        | 5.3%           | West Virginia     | 0.2%           |
| Michigan             | 3.0%           | Wisconsin         | 1.8%           |
| Minnesota            | 2.4%           | Wyoming           | 0.1%           |
| Mississippi          | 0.1%           | Do Not Know       | 0.6%           |
| Missouri             | 0.9%           | Prefer not to say | 0.2%           |
| Montana              | 0.4%           |                   | <b>N=7795</b>  |

| <b>Table I.8: Household Income</b> |               |
|------------------------------------|---------------|
| \$100,000 to \$149,999             | 17.6%         |
| \$50,000 to \$74,999               | 17.4%         |
| \$75,000 to \$99,999               | 15.8%         |
| \$200,000 or more                  | 11.8%         |
| \$35,000 to \$49,999               | 11.2%         |
| \$150,000 to \$199,999             | 9.5%          |
| Less than \$25,000                 | 8.7%          |
| \$25,000 to \$34,999               | 8.1%          |
|                                    | <b>N=9486</b> |

| <b>Table I.9: Do you Collect Social Welfare Payments from the Government of your Country of Residence?</b> |               |
|--|---------------|
| No   | 70.3%         |
| Yes I collect a senior/old age pension   | 17.9%         |
| Yes I receive a child benefit payment  | 6.5%          |
| Yes I collect unemployment payments  | 1.2%          |
| Yes I collect a disability pension   | 0.6%          |
| Yes I collect an indigent pension  | 0.0%          |
| Not sure   | 0.7%          |
| Other  | 2.7%          |
|  | <b>N=9777</b> |

| <b>Table I.10: Breakdown of Foreign Government Social Welfare Payment</b> |               |
|---|---------------|
| Yes I collect a senior/old age pension                                    | 61.9%         |
| Yes I receive a child benefit payment                                     | 22.5%         |
| Yes I collect unemployment payments                                       | 4.1%          |
| Yes I collect a disability pension  | 2.1%          |
| Yes I collect an indigent pension   | 0.1%          |
| Other   | 9.3%          |
|   | <b>N=2829</b> |

| <b>Table I.11: Employment</b>  |               |
|--|---------------|
| Retired  | 26.0%         |
| Self-employed  | 16.3%         |
| Employee of a local company  | 15.9%         |
| Employee or a national or local government entity in my country of residence | 7.8%          |
| Employee of a non-US international company                                   | 6.5%          |
| Employee of a not-for-profit organization/NGO                                | 5.0%          |
| Employee of a local branch/subsidiary of a US company                        | 4.8%          |
| Employee of an international organization                                    | 4.6%          |
| Not employed – not seeking employment  | 2.7%          |
| Employed by a firm or business in which I am a partner                       | 2.4%          |
| Not employed - seeking employment  | 2.1%          |
| Employed by a company of which I am a majority shareholder                   | 1.9%          |
| Student  | 1.9%          |
| Unpaid volunteer   | 0.7%          |
| Disabled, unable to work   | 0.6%          |
| Employee of a religious order or organization                                | 0.4%          |
| Employee of the US government or military                                    | 0.4%          |
| Other  | 0.0%          |
|  | <b>N=9817</b> |

| <b>Table I.12: Marital Status</b>              |               |
|--|---------------|
| Married  | 63.7%         |
| Single   | 9.9%          |
| Divorced                                       | 8.3%          |
| Single in a relationship                       | 6.2%          |
| In a common law marriage/de facto relationship | 6.1%          |
| Widowed  | 3.4%          |
| In a civil union                               | 1.8%          |
| Other  | 0.7%          |
|  | <b>N=9816</b> |



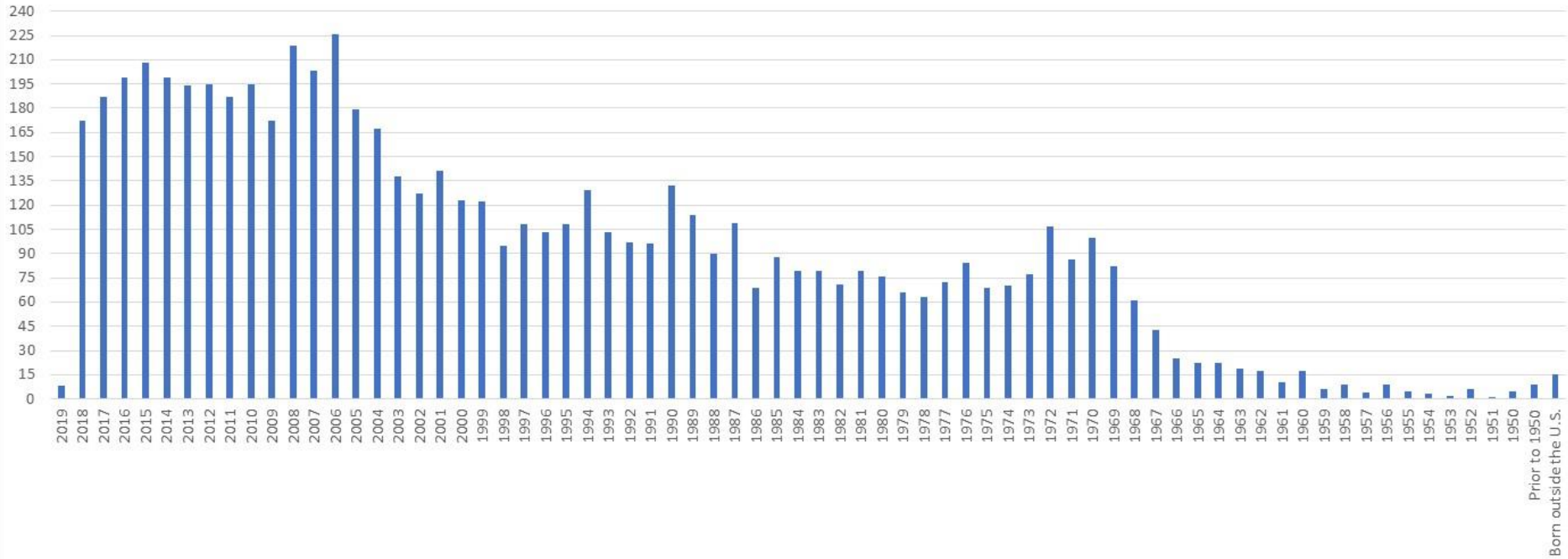
## SECTION II: OTHER RELEVANT PERSONAL INFORMATION

| <b>Table II.1: Nationality of Spouse</b>                |               |
|---|---------------|
| Non-U.S.  | 59.7%         |
| Not applicable/No partner/No spouse                     | 15.8%         |
| U.S.  | 12.1%         |
| Dual Citizen holding both U.S. and Non-U.S. citizenship | 11.5%         |
| Other   | 0.9%          |
|   | <b>N=9458</b> |

| <b>Table II.3: Primary Reason for Moving Abroad</b>   |               |
|---|---------------|
| Marriage/partnership                                  | 31.5%         |
| Employment  | 24.5%         |
| Life choice/Lifestyle Change/Adventure                | 20.6%         |
| Born abroad of at least one U.S. citizen parent       | 4.1%          |
| Study   | 3.8%          |
| Retirement  | 3.5%          |
| Moved abroad with my U.S. citizen parent(s)           | 2.9%          |
| Born in the U.S. of non-U.S. parents and moved abroad | 2.7%          |
| Affordable healthcare                                 | 2.2%          |
| Other   | 4.2%          |
|   | <b>N=9804</b> |

| <b>Table II.4: How long do you plan to live abroad?</b>           |               |
|---|---------------|
| Indefinitely, I do not plan to live/to return to live in the U.S. | 64.0%         |
| Do not know   | 15.3%         |
| Do not know, but I plan to return to the U.S.                     | 9.5%          |
| 10 years or more  | 4.4%          |
| 5 years to less than 10 years                                     | 2.2%          |
| 3 years to less than 5 years                                      | 1.7%          |
| 1 year to less than 3 years                                       | 1.4%          |
| Less than 1 year  | 0.4%          |
| Other   | 1.1%          |
|   | <b>N=9842</b> |

Graph II.1: Year You First Moved Abroad N=6572



**Table II.5: Are you planning to retire in the country where you currently live**

|                            |               |
|----------------------------|---------------|
| Yes                        | 46.7%         |
| Do not know                | 29.9%         |
| Already retired            | 10.4%         |
| No – returning to the U.S. | 5.7%          |
| No - moving elsewhere      | 4.4%          |
| Do not plan to retire      | 1.9%          |
| Other                      | 1.0%          |
|                            | <b>N=9840</b> |

**Table II.6: Are you collecting U.S. Social Security Benefits?**

|     |               |
|-----|---------------|
| Yes | 20.4%         |
| No  | 79.6%         |
|     | <b>N=9803</b> |

**Table II.7: Are your U.S. Social Security benefits reduced by the Windfall Elimination Provision (WEP)?**

|            |               |
|------------|---------------|
| No         | 41.1%         |
| Don't Know | 40.7%         |
| Yes        | 16.5%         |
| Other      | 1.6%          |
|            | <b>N=2025</b> |

**Table II.8: By what percentage is your Social Security Benefit being reduced by the WEP?**

|        |              |
|--------|--------------|
| <10%   | 49.0%        |
| 10-25% | 18.6%        |
| 26-50% | 21.8%        |
| >50%   | 10.5%        |
|        | <b>N=467</b> |

**Table II.9: Household Budget impact of those affected by WEP Social Security Benefit reduction**

|  |              |
|--|--------------|
| A modest part of my household budget   | 54.7%        |
| A material part of my household budget | 32.2%        |
| A very big part of my household budget | 13.2%        |
|  | <b>N=311</b> |

**Table II.10: Do you have accounts in countries other than your country of residence?**

|                                |               |
|--------------------------------|---------------|
| Yes, in the U.S.               | 60.7%         |
| No                             | 26.0%         |
| Yes, in the U.S. and elsewhere | 9.4%          |
| Yes                            | 3.9%          |
|                                | <b>N=9725</b> |

**Table II.11: Aggregate balance of accounts in financial institutions in your country of residence.**

|  |               |
|--|---------------|
| Less than US\$10,000                   | 27.2%         |
| US\$10,000-\$49,999                    | 24.6%         |
| US\$100,000-\$249,999                  | 14.7%         |
| US\$50,000-\$99,999                    | 12.4%         |
| US\$250,000-\$499,999                  | 8.6%          |
| US\$500,000-\$999,999                  | 5.9%          |
| US\$1m or more                         | 4.8%          |
| No accounts in my country of residence | 1.8%          |
|  | <b>N=9351</b> |

### SECTION III: “ACCIDENTAL AMERICANS”

| Table III.1: Respondents in categories of Accidental Americans |               |
|--|---------------|
| Born abroad of at least one U.S. citizen parent                | 3.7%          |
| Born in the U.S. of non-U.S. parents and moved abroad          | 2.2%          |
|  | <b>N=9804</b> |

| Table III.2: Do you identify as an "Accidental American"? |              |
|---|--------------|
| No  | 52.3%        |
| Yes   | 38.0%        |
| Don't know  | 9.4%         |
|   | <b>N=667</b> |

| Table III.3: Are you an Accidental American seeking to renounce your U.S. Citizenship? |              |
|--|--------------|
| Yes, if there were a renunciation mechanism that required a reasonable effort and cost | 44.1%        |
| No   | 29.7%        |
| Don't know   | 18.6%        |
| Yes  | 7.6%         |
|  | <b>N=236</b> |

## SECTION IV: FOREIGN FINANCIAL ACCOUNTS REPORTING

**Table IV.1: Awareness of FBAR (Report of Foreign Bank and Financial Accounts) Financial Account Reporting**

|                             |               |
|-----------------------------|---------------|
| General understanding       | 49.2%         |
| Full/detailed understanding | 18.1%         |
| Little awareness            | 16.6%         |
| No awareness                | 13.9%         |
| Not sure                    | 1.5%          |
| Other                       | 0.7%          |
|                             | <b>N=9808</b> |

**Table IV.2: Experience with FBAR**

|              | I have data privacy and/or security concerns because of mandatory electronic filing. | I have no access to or skills with electronic devices for filing | My foreign financial account balances are below the FBAR reporting threshold |
|--------------|--|--|--|
| Agree        | 55.9%  | 28.2%  | 28.5%  |
| Do not agree | 14.2%  | 54.5%  | 60.0%  |
| Not sure     | 29.8%  | 17.3%  | 11.5%  |
|              | <b>N=8772</b>  | <b>N=7686</b>  | <b>N=6275</b>  |

**Table IV.3: Awareness of FATCA (Foreign Account Tax Compliance Act) Reporting**

|                             |               |
|-----------------------------|---------------|
| Full/detailed understanding | 7.1%          |
| General understanding       | 34.7%         |
| Little awareness            | 28.3%         |
| No awareness                | 27.3%         |
| Not sure                    | 1.9%          |
| Other                       | 0.7%          |
|                             | <b>N=9833</b> |

**Table IV. 4: FATCA Experience - Related to Financial Product or Service Procurement**

|                      | My foreign bank or other financial institution has required me to prepare W-9 forms. | My foreign bank or other financial institution has asked for evidence that I am compliant with my US tax filing and financial account reporting obligations. | I have been refused products or services from a foreign bank or financial institution. | I have had accounts in foreign bank or financial institutions closed or frozen. | I have been denied access to investment or retirement savings vehicles from a foreign bank or financial institution. | I have been denied a mortgage from a foreign bank or financial institution because of my U.S. citizenship. |
|----------------------|--|--|--|---|--|--|
| No                   | 38.6%  | 54.0%  | 51.2%  | 72.9%   | 53.4%  | 62.2%  |
| Yes                  | 30.5%  | 20.8%  | 30.7%  | 9.5%  | 24.5%  | 7.1%   |
| Not applicable to me | 14.8%  | 13.0%  | 14.1%  | 15.7%   | 18.9%  | 27.7%  |
| Not sure             | 16.1%  | 12.2%  | 4.0%   | 2.0%  | 3.6%   | 2.9%   |
|                      | <b>N=9422</b>  | <b>N=9373</b>  | <b>N=9378</b>  | <b>N=9302</b>   | <b>N=9339</b>  | <b>N=9302</b>  |

**Table IV.5: FATCA Experience - Related to work, employment or livelihood**

|                      | I have been asked by the business I work for to surrender signatory authority over business accounts in a foreign bank or financial institution. | I have been denied or lost employment positions requiring signatory authority on business accounts in a foreign bank. | I have been refused participation in business and partnership opportunities in a foreign jurisdiction. |
|----------------------|--|---|--|
| No                   | 58.5%  | 60.6%   | 55.4%  |
| Not applicable to me | 36.8%  | 36.1%   | 37.7%  |
| Yes                  | 2.4%   | 1.6%  | 4.6%   |
| Not sure             | 2.0%   | 1.6%  | 1.9%   |
|                      | <b>N=9391</b>  | <b>N=9365</b>   | <b>N=9342</b>  |

**Table IV.6: FATCA Experience - Related to your personal or family circumstance**

|                      | I have been asked by a non-commercial organization I serve to surrender signatory authority over its accounts in a foreign bank. | I have been denied or lost positions in non-commercial organizations I serve requiring foreign bank account signatory authority. | I have been denied trustee or power of attorney positions in a foreign jurisdiction. | My request for an account in a foreign bank/financial institution for my U.S. child has been denied. | I have been removed from a joint account in a foreign bank/financial institution with my non-US spouse/partner or I have removed myself. | My non-US spouse/domestic partner has/would like to divorce/separate due to U.S. foreign financial account disclosure requirements. |
|----------------------|--|--|--|--|--|---|
| No                   | 57.9%  | 57.9%  | 56.7%  | 50.7%  | 51.2%  | 54.8%   |
| Not applicable to me | 36.7%  | 37.3%  | 37.6%  | 41.9%  | 34.8%  | 38.8%   |
| Yes                  | 2.2%   | 2.2%   | 2.8%   | 5.3%   | 12.1%  | 2.7%  |
| Not sure             | 2.2%   | 1.8%   | 1.8%   | 1.9%   | 1.7%   | 3.0%  |
|                      | <b>N=9323</b>  | <b>N=9303</b>  | <b>N=9283</b>  | <b>N=9281</b>  | <b>N=9292</b>  | <b>N=9234</b>   |



## SECTION V: SAVING AND INVESTING FOR THE FUTURE

**Table V.1: Experience of these Non-Resident Tax Issues related to Saving and Investing for the Future**

|                      | U.S. Capital Gains Tax Exclusion - Foreign properties including homes) owned by Americans abroad are not eligible for favorable U.S. Capitol Gains Treatment. | Artificial Capital Gains/Losses due to currency fluctuations, even when no currency has been exchanged. | Annual declaration of foreign long-term savings plan income, rather than declaration upon withdrawal. | Punitive Passive Foreign Investment Company (PFIC) tax treatment applied to non-US pension plans, mutual funds and other savings instruments. |
|----------------------|---|---|---|---|
| Yes                  | 32.9%   | 32.6%   | 30.2%   | 26.5%   |
| Not applicable to me | 19.9%   | 17.2%   | 19.3%   | 21.9%   |
| No                   | 11.0%   | 12.8%   | 12.9%   | 14.2%   |
| Maybe/Not sure       | 11.7%   | 11.1%   | 9.0%  | 8.8%  |
|                      | <b>N=9384</b>   | <b>N=9313</b>   | <b>N=9264</b>   | <b>N=9243</b>   |
|                      |   |   |   |   |
|                      | Taxation of non-U.S. non-qualified pension plans.   | Tax on the transfer of foreign retirement plan assets.  | No marital deduction for bequests to foreign surviving spouses.                                       | Net Investment Income (Obamacare) Tax calculated without applying foreign tax credits.  |
| Yes                  | 26.8%   | 20.7%   | 15.1%   | 25.1%   |
| Not applicable to me | 22.1%   | 25.0%   | 33.1%   | 18.6%   |
| No                   | 15.6%   | 16.5%   | 17.3%   | 13.7%   |
| Maybe/Not sure       | 9.6%  | 10.5%   | 8.8%  | 11.1%   |
|                      | <b>N=9245</b>   | <b>MN=9181</b>  | <b>N=9186</b>   | <b>N=9207</b>   |

## SECTION VI: BANKING, SAVING AND INVESTING IN THE U.S.

| Table VI.1: Do you maintain an address in the U.S.?        |               |
|--|---------------|
| No   | 47.7%         |
| Yes I maintain a U.S. address for correspondence purposes  | 41.5%         |
| Yes I maintain a U.S. home/second home while living abroad | 8.9%          |
| Not sure   | 1.9%          |
|  | <b>N=9799</b> |

| Table VI.2: Do you hold U.S. Based Financial Accounts? |               |               |                          |                       |               |
|--|---------------|---------------|--------------------------|-----------------------|---------------|
|  | Checking      | Savings       | Investment/<br>Brokerage | Retirement<br>savings | Other         |
| Yes  | 69.0%         | 53.7%         | 45.6%                    | 45.8%                 | 11.3%         |
| No   | 30.5%         | 45.5%         | 53.1%                    | 52.7%                 | 82.7%         |
| Don't Know   | 0.5%          | 0.7%          | 1.2%                     | 1.5%                  | 6.0%          |
|  | <b>N=9552</b> | <b>N=9039</b> | <b>N=8819</b>            | <b>N=8753</b>         | <b>N=6785</b> |

**Table VI.3: Since moving abroad have you been formally notified that an account or financial arrangement in a U.S.-based financial institution would be closed?**

|                      | Checking      | Savings       | Investment/Brokerage | Retirement Savings | Other         |
|----------------------|---------------|---------------|----------------------|--------------------|---------------|
| No                   | 80.5%         | 77.2%         | 65.4%                | 70.0%              | 62.9%         |
| Not applicable to me | 12.5%         | 17.2%         | 22.6%                | 23.5%              | 33.1%         |
| Yes                  | 5.5%          | 4.2%          | 10.3%                | 4.9%               | 2.0%          |
| Not sure             | 1.5%          | 1.4%          | 1.7%                 | 1.6%               | 2.0%          |
|                      | <b>N=9540</b> | <b>N=9411</b> | <b>N=9415</b>        | <b>N=9286</b>      | <b>N=8077</b> |

**Table VI.4: Since moving abroad have you been formally notified that an account or financial arrangement in a U.S.-based financial institution would be frozen?**

|                      | Checking      | Savings       | Investment/Brokerage | Retirement Savings | Other         |
|----------------------|---------------|---------------|----------------------|--------------------|---------------|
| No                   | 83.9%         | 80.1%         | 71.1%                | 73.0%              | 66.5%         |
| Not applicable to me | 13.2%         | 17.4%         | 22.8%                | 23.1%              | 31.6%         |
| Yes                  | 1.9%          | 1.5%          | 4.7%                 | 2.8%               | 0.6%          |
| Not sure             | 1.0%          | 1.0%          | 1.4%                 | 1.2%               | 1.4%          |
|                      | <b>N=9543</b> | <b>N=9424</b> | <b>N=9390</b>        | <b>N=9302</b>      | <b>N=8229</b> |

**Table VI.5: Since moving abroad have you tried to open a new account or arrange a financial product in a bank, brokerage house or other financial institution in the U.S. and been refused or failed to do so?**

|  | Checking      | Savings       | Investment/<br>Brokerage | Retirement<br>Savings | Mortgage      | Other         |
|--|---------------|---------------|--------------------------|-----------------------|---------------|---------------|
| No I have not tried/Not applicable to me | 59.1%         | 63.8%         | 62.9%                    | 71.7%                 | 77.9%         | 77.3%         |
| No I have not been refused               | 31.5%         | 28.3%         | 22.0%                    | 20.7%                 | 18.8%         | 18.1%         |
| Yes                                      | 8.8%          | 7.2%          | 14.4%                    | 6.9%                  | 2.8%          | 3.5%          |
| Not sure                                 | 0.6%          | 0.6%          | 0.7%                     | 0.7%                  | 0.5%          | 1.0%          |
|  | <b>N=9431</b> | <b>N=9332</b> | <b>N=9323</b>            | <b>N=9164</b>         | <b>N=9064</b> | <b>N=8050</b> |

## SECTION VII: TAX FILING AND FINANCIAL ACCOUNT REPORTING COMPLIANCE

**Table VII.1: Which of these concerns you about U.S. tax filing and financial account reporting compliance?**

|                         | The Cost of preparing filings | The Complexity of preparing filings | The stress of completing accurate filings | That I am required to file at all | Inaccessible or unhelpful support from the IRS | None, I have no concerns |
|-------------------------|-------------------------------|-------------------------------------|---|-----------------------------------|--|--------------------------|
| Yes                     | 83.0%                         | 91.2%                               | 90.7%                                     | 82.4%                             | 58.0%  | 3.2%                     |
| No/Not applicable to me | 14.7%                         | 7.4%                                | 8.1%                                      | 14.4%                             | 23.6%  | 93.4%                    |
| Not sure                | 2.3%                          | 1.3%                                | 1.3%                                      | 3.3%                              | 18.5%  | 3.4%                     |
|                         | <b>N=9676</b>                 | <b>N=9680</b>                       | <b>N=9673</b>                             | <b>N=9641</b>                     | <b>N=9469</b>                                  | <b>N=7823</b>            |

**Table VII.2: Would you consider yourself generally compliant with your U.S. tax filing and financial account reporting obligations?**

|                           |               |
|---------------------------|---------------|
| Yes                       | 75.1%         |
| Partially                 | 7.5%          |
| I do not file             | 5.2%          |
| Not sure                  | 4.7%          |
| No                        | 3.9%          |
| I am not required to file | 1.5%          |
| Other                     | 2.0%          |
|                           | <b>N=9783</b> |

**Table VII.3: In 2017 did you file -**

|                      | Form 1040, 1040A, 1040EZ, or 1040NR | An FBAR/ FinCEN 114 | A FATCA Form 8938 | Form 8621 (declaring PFIC income) | A Tax Return to a U.S. state |
|----------------------|-------------------------------------|---------------------|-------------------|-----------------------------------|------------------------------|
| Yes                  | 75.5%                               | 58.2%               | 27.0%             | 5.8%                              | 21.7%                        |
| No                   | 16.8%                               | 29.0%               | 46.0%             | 58.0%                             | 63.8%                        |
| Not sure             | 5.9%                                | 8.7%                | 19.7%             | 26.1%                             | 6.7%                         |
| Not applicable to me | 1.8%                                | 4.2%                | 7.2%              | 10.1%                             | 7.8%                         |

**Table VII.4: Did you engage a professional tax return preparer in 2017?**

|                          |               |
|--------------------------|---------------|
| Yes                      | 53.6%         |
| No                       | 34.0%         |
| Did not file             | 7.4%          |
| Was not required to file | 2.5%          |
| Not sure                 | 0.5%          |
| Other                    | 2.1%          |
|                          | <b>N=9755</b> |

**Table VII.5: Will you engage a professional tax return preparer to prepare your 2018 US tax filing?**

|  |               |
|--|---------------|
| Yes, as usual  | 37.2%         |
| No   | 23.3%         |
| Yes  | 16.2%         |
| Not sure   | 11.0%         |
| I will not be filing   | 4.8%          |
| Yes, because of the complexity arising from the Transition taxes in the 2017 Tax Cuts and Jobs Act | 3.0%          |
| I am not required to file  | 2.2%          |
| Other  | 2.3%          |
|  | <b>N=9855</b> |

**Table VII.6: If you used a preparer in 2017 what fees did you pay?**

|                    |               |
|--------------------|---------------|
| \$201-\$500        | 28.3%         |
| \$1,001-\$5,000    | 28.0%         |
| \$501-\$1,000      | 27.7%         |
| \$101-\$200        | 6.3%          |
| Less than \$100    | 4.2%          |
| \$5,001-\$10,000   | 3.9%          |
| More than \$10,000 | 1.6%          |
|                    | <b>N=5192</b> |

**Table VII.7: Have you entered one of the IRS programs for citizens seeking to come into tax compliance - the Overseas Voluntary Disclosure Program or the Streamlined Filing Compliance Procedures?**

|   |               |
|---|---------------|
| No  | 81.1%         |
| Not sure  | 9.2%          |
| Yes, the Streamlined Filing Compliance Procedures | 5.6%          |
| Yes, the Overseas Voluntary Disclosure Program    | 4.2%          |
|   | <b>N=9731</b> |

**Table VII.8: Are you in favor of**

|                   | A switch from the current U.S. system of Citizenship-Based Taxation to Residency-Based Taxation, in which Americans living abroad under RBT would no longer be required to report to the IRS the income they generate in their country of tax residence | Reforming FATCA to exempt from all FATCA reporting the accounts of Americans living abroad in their country of residence | FATCA Repeal  | FBAR reforms to improve data security during and expand filing options | FBAR Repeal   |
|-------------------|---|--|---------------|--|---------------|
| Yes               | 87.0%   | 75.4%  | 59.4%         | 69.5%  | 64.5%         |
| Maybe, it depends | 8.7%  | 12.0%  | 18.5%         | 12.7%  | 16.7%         |
| Don't know        | 3.0%  | 10.5%  | 18.3%         | 14.9%  | 15.2%         |
| No                | 1.3%  | 2.1%   | 3.7%          | 3.0%   | 3.6%          |
|                   | <b>N=9701</b>   | <b>N=9574</b>  | <b>N=9363</b> | <b>N=9246</b>  | <b>N=9410</b> |

**Table VII.9: Does concern about being liable for state or local income tax on income generated in your country of residence stop you from registering to vote or voting in U.S. elections?**

|   |               |
|---|---------------|
| No, I am registered to vote and vote for the offices or measures on the ballot that my state sends me without concern about state tax liability | 44.7%         |
| Yes, it concerns me, but I am registered to vote and I vote for the offices or measure on the ballot that my state sends me anyway.             | 17.1%         |
| No, but my state only permits me to vote in federal elections   | 15.0%         |
| Yes, it concerns me. I will not vote in state and local elections. I am registered to vote and I vote in federal elections.                     | 11.4%         |
| I do not vote in U.S. elections, but it is unrelated to taxation  | 4.0%          |
| Yes, it concerns me and I will not register to vote   | 3.8%          |
| Other   | 4.1%          |
|   | <b>N=9700</b> |

## SECTION VIII: 2017 TAX CUTS AND JOBS ACT “TRANSITION TAXES”

| Table VIII.1: Are you impacted by the Repatriation Tax or GILTI Tax? |               |
|--|---------------|
| No   | 65.6%         |
| Not sure   | 29.4%         |
| Yes – I am/have been impacted by Repatriation Tax and/or GILTI       | 3.7%          |
| Other  | 1.3%          |
|  | <b>N=9736</b> |

| Table VIII.2: Which of the following describes your experiences in relation to the Repatriation Tax and/or the GILTI Tax  |       |       |                      |          |              |
|---|-------|-------|----------------------|----------|--------------|
|   | Yes   | No    | Not applicable to me | Not sure |              |
| I have invested a great amount of time with my accountants and tax advisers working through the impact of the TCJA Transition Taxes on my business and personal finances. This is expensive and takes time away from the operation of my company. | 72.6% | 11.3% | 12.1%                | 4.0%     | <b>N=379</b> |
| I am considering advice on how to restructure my business in order to minimize my exposure to the new Transition Taxes.   | 72.5% | 10.4% | 11.8%                | 5.3%     | <b>N=374</b> |
| I am considering whether to close my business entirely because of my exposure to the Transition Taxes.  | 55.8% | 24.4% | 11.5%                | 8.3%     | <b>N=373</b> |
| My household income and savings are being put under considerable and unexpected strain.   | 66.0% | 16.3% | 9.0%                 | 8.7%     | <b>N=368</b> |
| The financial strain is putting onerous stress on my family/relationship.   | 54.5% | 26.7% | 12.3%                | 6.5%     | <b>N=367</b> |
| I am considering whether to renounce my U.S. citizenship because of my exposure to the Transition Taxes.  | 61.1% | 21.2% | 9.7%                 | 8.0%     | <b>N=373</b> |