



DEMOCRATS ABROAD

VIA EMAIL

The Honorable Steven T. Mnuchin
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Charles P. Rettig
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, DC 20224

April 17, 2020

Dear Mr. Secretary and Commissioner Rettig,

RE: Improving Coronavirus Aid, Relief and Economic Security (CARES) Act resources for Americans abroad

We have followed closely the experience of Americans abroad as they attempt to use the resources you have provided for accessing CARES Act aid. Herein provide feedback on the problems they encountered and recommend remedies.

1. The *Non-Filers* system does not accept non-US bank accounts or phone numbers.

Americans abroad who do not file because their income falls beneath the tax-free threshold have been trying to use the ***“Non-Filers: Enter Information Here”*** online tool. We are pleased that the tool accommodates taxpayers with foreign addresses; it has address fields for foreign country, foreign city, state, county and foreign post code.

Unfortunately it does not enable the user to provide a bank account for a non-US bank. It only allows the user to provide a U.S. bank account. This is obviously a serious problem for Americans abroad that are in desperate need of the aid, and have no U.S. bank account. They need the Recovery Rebate to be paid by direct deposited into their local bank account

We ask that the *Non-filers* online tool to be adapted to:

- Include a field for bank accounts in non-U.S. banks
- Include a field for non-U.S. phone numbers (as the phone number field has a limit of 10 digits and many non-U.S. phone numbers have 11 digits or more.)

We also ask that these features be included in the ***“Get My Payment”*** tool.

2. The *Get My Payment* online tool requires a postal code, and only accepts U.S. postal codes, yet instructions note that a postal code is “required, except for countries without a Zip or post code.”

The ***“Get My Payment”*** online tool for taxpayers who have filed a 2018 and 2019 tax return but who do not have bank account details on file with the IRS again anticipates use by Americans with a non-U.S. residential address; in the taxpayer information screen, the system notes that the zip code is “required, except for countries without a Zip or post code.”

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Unfortunately, the tool will not let the user advance to the next screen without providing a Zip Code. Putting a U.S. zip code, non-U.S. post code, no zip code, “none” or 5 zeroes into the field gives you a message that the “information provided does not match the information the IRS has on file” and, again, you cannot advance to the next screen.

Three unsuccessful tries at putting information into the screens locks the user out of the system for 24 hours.

We ask that the *Get My Payment* online tool to be adapted to:

- Include a field for bank accounts in Non-U.S. banks
- Include a field for non-U.S. post codes.

3. Many Americans abroad are unable to submit a 2019 tax filing and so are unable to use the *Get My Payment* tool to submit direct deposit bank account details

Americans abroad understand that the IRS is currently unable to process paper tax returns and is instructing Americans to file 2019 returns electronically. A great many Americans abroad have lost their jobs/income and are unable to afford U.S. tax return preparer services, which cost on average \$500. We have been directing Americans abroad to the FreeFile program to make electronic filings. Five of the 10 FreeFile systems serve taxpayers with non-U.S. addresses: TaxAct, TurboTax, FileYourTaxes, OnLineTaxes by OLT and TaxSlayer serve taxpayers with a foreign address. However -

- Those with no computers or wifi service will be unable to file electronically using one of the FreeFile systems.
- Those with income above \$69,000 will be ineligible to use the FreeFile systems.
- Those with a non-U.S. spouse with whom they file jointly will be unable to file using the FreeFile systems because of a system feature that forces them to print the form and file a paper return.

Many Americans abroad are married to non-U.S. citizens and file Married Filing Jointly, subjecting their income and their non-U.S. spouses' income to U.S. taxation. These non-U.S. spouses are in the U.S. taxation system, yet the CARES Act excludes them from eligibility for the economic stimulus payments.

If these bi-national couples have yet to file 2019 tax returns and are unable to file returns electronically, then they may be unable to file 2019 returns at all. In this situation, both the U.S. citizen and their non-U.S. spouse will be unable to access the stimulus payment.

Fixing the glitches in the *Non-Filer* and *Get My Payment* online tools for arranging delivery of the economic stimulus payment is important, but those who cannot file 2019 returns won't be able to become eligible for the economic stimulus payment.

We ask that a process be created for Americans abroad who are not able to e:file 2019 tax returns so that they can qualify for the economic stimulus payment.

4. The Federal Student Loan Forbearance remains inaccessible to some American student loan borrowers abroad

The Federal Student Loan borrower forbearance granted in the CARES Act continues to be inaccessible for Americans abroad who cannot phone the Federal Student Loan Servicer toll-free numbers from outside the US.

We reiterate our request that Treasury collaborate with the Department of Education to provide a phone number or email address that Federal Student Loan Borrowers abroad can use to provide notice to their loan services of their intention to suspend their payments for 60 days, as is provided in the Act.

5. Awareness of CARES Act provisions available to Americans abroad remains low

Democrats Abroad continues to receive hundreds of messages a day from Americans abroad seeking information about eligibility for and access to CARES Act aid. We note that the daily Warden messages broadcast by the DOS still include *no information at all* for American citizens abroad about U.S. government pandemic assistance.

We reiterate these recommendations to Treasury from our correspondence of March 26 for improving CARES Act aid outreach to the Americans abroad community:

- work with the State Department to establish how to use its various resources – websites, social media platforms and other mass communications systems – for messaging members of the Americans abroad community about the CARES Act;
- work with the State Department to determine how to use most effectively the email and mobile phone data collected by the State Department from Americans abroad who signed up for Warden System or the STEP Program to message Americans abroad about the CARES Act; and
- establish an internationally accessible telephone help line and email address to facilitate engagement by Americans abroad in the CARES Act.

6. American Citizen Services during the Coronavirus Pandemic

We seek a mechanism for organizations representing Americans abroad to maintain a direct and on-going dialogue with Treasury, the IRS and the State Department for the purpose of addressing the needs of the Americans abroad community arising from the coronavirus pandemic.

Please contact Carmelan Polce of our Taxation Task Force (carmelan@democratsabroad.org or +61 404 767 088) based in Sydney, Australia, or the undersigned with any questions about the information and recommendations provided herein.

Sincerely,

/S/

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