

“It Hurts My Heart:”
The Case for Fairer Taxation of Non-Resident US Citizens

by Laura Snyder*

Post 4 of 4

This is the last of a series of four posts to make the case for fairer taxation of non-resident US citizens and green card holders. The first post was a Case Study in the Marginalization of Americans Living Overseas. The second post recounted the origins of the situation, unique to the United States. The third post described the destabilizing effects of recent US banking regulations and explained how the 2017 Tax Cuts and Jobs Act¹ turned an already difficult situation for entrepreneurs and small business owners into an impossible one. This fourth post exposes continuing prejudices, misconceptions and misunderstandings and how they serve to perpetuate and aggravate the situation for so many US citizens who seek simply to lead normal lives in the places where they live.

Continued Misconceptions and Misunderstandings

When Americans living overseas speak about the problems they face as a result of US banking and taxation policies, they often receive responses along the lines of:

- A) You're exaggerating: The foreign-earned income exclusion and foreign tax credits mean that in most cases you don't need to file US tax returns and, if you do, they mean that your tax liability is low, if indeed you owe anything at all. So, what's the problem?
- B) US citizenship is a privilege and it confers on you certain benefits. It is normal that you must pay for them. You should pay your fair share.
- C) If you live overseas then you must be wealthy because only wealthy people can afford to travel overseas. And since you are wealthy, you must have moved overseas in order to avoid US taxes.
- D) No one is forcing you to live overseas. If you are unhappy then you should either move back to the United States or renounce your US citizenship.²

It is easy to hear in these responses century-old echoes of [Senator Collamer](#), as described in the first post:

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If a man draws his income from our public debt, or from property here, and resides in Paris, skulking away from contributing his personal support to the Government in this day of its extremity, he ought to pay a higher income tax.

And of [Senator Hoar](#), as also described in the first post:

[The point of citizenship-based taxation is so that] if an American citizen went abroad and carried the protection of his country, of his citizenship with him, he did not escape its burdens... There are a great many people, I am sorry to say, who go abroad for that very purpose...

These responses show, at best, lack of knowledge and, at worst, callous indifference regarding Americans who live outside the borders of the United States.

Addressing each response, in turn:

A. You're exaggerating: The foreign-earned income exclusion and foreign tax credits mean that in most cases you don't need to file US tax returns and, if you do, they mean that your tax liability is low, if indeed you owe anything at all. So, what's the problem?

To begin, the foreign-earned income exclusion is not related to the minimum filing requirements for a US federal tax return:

The foreign-earned income exclusion is an amount that is adjusted most tax years. For fiscal year 2017, it was US\$102,100. For fiscal year 2018 it is US\$104,100. This is the maximum amount of wages or self-employment income earned for services performed outside the United States that a US taxpayer living overseas can exclude from their US taxable income. Of course, this income exclusion relates only to the taxpayer's taxable income with respect to the United States. It is entirely unrelated to the taxpayer's taxable income and consequent tax liability in his/her country of residence, where the taxpayer is subject to income tax in the same manner as all other residents of that country.

Minimum filing requirements are the lowest gross income amounts that trigger the requirement to file a federal income tax return. These amounts vary depending upon age and filing status (single, married filing jointly or filing separately, etc.). For 2018 the minimum income for taxpayers under the age of 65 is US\$12,000 (single), US\$24,000 (married filing jointly) and US\$18,000 (head of household). In the event of self-employment filing is required if earnings total just US\$400.

The most remarkable threshold is the one for married filing separately. For 2017 this amount was already low at just US\$4,050. For 2018 it has been reduced to US\$5. This basically means that if you are married but not filing jointly with your spouse then you must file a tax return regardless of your income, and even if you have basically no income besides, for example, interest earned on a bank account. This change has a disproportionate effect on overseas taxpayers given that they file

under this status at a much higher rate as compared to all US individual tax returns (17.64% as compared to 2.09% in 2016).³ This change to minimum filing requirements will have the biggest impact on US citizens living overseas, principally but not only women, who are supported by their non-resident non-citizen spouses (who are not required to file or pay US income tax) while they perform unpaid domestic duties (such as child rearing).⁴ This impact is far from benign when you take into account the length, complexity and very high cost of preparing the typical non-resident's tax return (typically anywhere from US\$500 to US\$3,000, as discussed below).

These minimum filing thresholds take into account all sources of the taxpayer's income. In contrast, the foreign-earned income exclusion applies only with respect to the taxpayer's *earned* income. This means that it does not apply to any income that does not qualify as earned, such as capital gains, insurance proceeds, unemployment compensation, or pension proceeds. To the extent the income in question is not earned income, a US citizen living overseas cannot benefit from the foreign-earned income exclusion.

Which raises the question of foreign tax credits. The theory is that a taxpayer should not have to pay tax twice with respect to the same income, so to the extent a non-US resident pays tax in his/her country of residence with respect to certain income then the tax he/she owes to the United States with respect to the same income should be reduced accordingly. However, while the theory itself is not objectionable, the practical application leaves much to be desired:

To begin, the formulas applied to calculate a taxpayer's foreign tax credit are highly complex and they often fail to produce an amount that is actual dollar-per-dollar of the tax paid.⁵

In addition, a foreign tax credit applies only to the extent that the foreign tax paid is equal to or greater than the taxes otherwise owed to the US with respect to the same income.⁶ So, if the non-US resident taxpayer lives in a country that applies lower rates of taxation than the United States, the non-resident taxpayer will end up paying in tax not the amount owed by others who live in the same country, but instead a higher amount: the amount owed under US tax rules, of which one part will be paid to the taxpayer's country of residence and the balance to the United States.

This effect is especially insidious when it occurs as a result of tax policies that the US citizen's country of residence has purposefully adopted in order, for example, to encourage certain actions or to increase the financial resources available to certain types of people. In this manner that country might apply reduced rates of taxation or entirely exempt certain types of income from taxation. Common examples are the exclusion of capital gains tax on the sale of a home by a surviving spouse,⁷ or the exclusion of income tax on contributions to pension plans,⁸ on pension proceeds upon retirement,⁹ on life insurance proceeds¹⁰ or unemployment benefits.¹¹ A number of countries have taken purposeful policy decisions either to not tax these kinds of income or to tax them at a reduced rate in order that all of the residents of that country may plan their finances (including, most notably, their retirements) on the basis of those policies and in order that the economies of these countries may benefit from their residents having access to these additional

resources.¹² The limitations on the availability of US foreign tax credits means (1) it is very difficult for US citizens living overseas to plan their finances and investments generally, and their retirements specifically, without incurring punitive US taxes, sometimes so high as to eliminate much of the value of the investment,¹³ and (2) the policies of the country where the US citizen resides are superseded by US tax law with the result that resources those policies intended to make available for its residents—notably so they can avoid financial distress—are instead being removed from that country in order to be paid in taxes to the United States.

Finally, the tax returns of most US citizens living overseas are lengthy and exceptionally complex (often 40 to 50+ pages).¹⁴ Few have the specialized knowledge and skills required to complete them correctly. For this reason, many US citizens living overseas have no choice but to rely upon a professional tax preparer. They typically charge fees averaging \$US500 to US\$3,000 per year. These fees are incurred regardless of whether any tax is ultimately owed and, in many cases, no tax is ultimately owed (about 55% of tax returns filed from outside the United States show zero tax owed).¹⁵

In sum, the foreign-earned income exclusion and foreign tax credits can often result in a US citizen owing little to no US tax, but this is by no means always the case. Further, regardless of whether any tax is owed, US citizens living overseas incur very high fees—often several thousands of dollars—for the preparation of their tax returns, and they incur these fees on an annual basis regardless of whether any tax is owed. This includes those with very low incomes—in the case of those who are married, filing separately, such fees are incurred based on an income as low as US\$5.

B. US citizenship is a privilege and it confers on you certain benefits. It is normal that you must pay for them. You should pay your fair share.¹⁶

What is “fair?” And what benefits?

Does this response refer to public services such as police and fire fighting, schools, roads and other infrastructure? US citizens living overseas pay for these services when they pay taxes in the countries where they live. They benefit from these services in the United States only to the extent they visit the United States, in much the same way that non-citizens who visit also benefit from them. Both kinds of visitors, when they travel to the United States, pay a range of tourism (occupancy, car rental and airline) taxes which are used to fund infrastructure as well as local services.¹⁷ The United States does not seek to tax the income of non-citizen visitors in order to fund these services, just as other countries do not seek to tax the income of US residents who visit those other countries.

Does this response refer to the right to return to the United States to live and work? Does it mean the ability to pass US citizenship onto children? All other countries (except, as discussed above, Eritrea) accord these benefits to their citizens without requiring them to pay a tax in return. Further, these benefits are accorded to US citizens who reside in the United States, regardless of the amount they pay in taxes and including those US citizen residents who pay no taxes at all. Further, as

discussed below, Article 13 of the Universal Declaration of Human Rights provides that “Everyone has the right to leave any country, including his own, and to return to his country.” This human right is not conditioned upon the payment of any kind.

Does this response refer to the right to vote? Again, all other countries accord this benefit to their citizens without requiring them to pay a tax in return. In addition, the 24th Amendment makes it unconstitutional to condition the right to vote in a federal election upon the payment of any tax.¹⁸

Does this response refer to the right to have a US passport? Again, all other countries accord this benefit to their citizens without requiring them to pay a tax in return. Further, in terms of visa-free travel throughout the world, a US passport is not all that special: the passports of 16 other countries offer visa-free access to at least as many if not more countries.¹⁹

Does this response refer to the right to access consular services? Again, all other countries except Eritrea accord this benefit to their citizens without requiring them to pay taxes in return. In addition, US consular services have been severely restricted over the past decade—most now provide little more than basic services.²⁰ As for the services they do offer, most require the payment of fees that are far higher than those charged for comparable services in the United States²¹ and it is these fees—not proceeds from taxation—that nearly entirely fund consular services.²²

Does this response refer to protection of some kind by the United States of its citizens overseas? US citizens cannot count on the availability of evacuation services, and, on those occasions when they are available, those being evacuated are obliged to sign a form promising to repay the costs.²³ Further, the United States has asserted the right to target and kill US citizens overseas, without the need to accord them any due process.²⁴

Finally, just who are non-resident US citizens paying? Most of the returns filed by US citizens living overseas show they owe no tax²⁵ and, accordingly, no tax is paid. On the other hand, those same US citizens living overseas often pay hundreds if not thousands of dollars²⁶ each year for the preparation of their lengthy and highly complex US tax returns.²⁷ In fact, the principal beneficiary of the claim that non-resident US citizens should “pay their fair share” is not the US Treasury—it is the professional tax compliance industry.²⁸

In sum, in claiming that US citizens living overseas should “pay their fair share” in US income tax, it is unclear just what those citizens are paying for. At the same time, it is clear that for the most part what they pay benefits the tax compliance industry rather than the US Treasury.

C. If you live overseas then you must be wealthy because only wealthy people can afford to travel overseas.²⁹ And since you are wealthy, you must have moved overseas in order to avoid US taxes.

Unfortunately, there is little detailed demographic information about US citizens who live overseas. Neither the US government nor any other organization

keeps track of them in any meaningful way. That being said, there is some information:

According to a 2013 study by Amanda Klekowski von Koppenfels,³⁰ Americans leave the United States most commonly for marriage or partnership, for study or research, or for employment. Many intend to live outside the United States for a limited period but they prolong their stay when they meet and decide to remain with a partner or to pursue unexpected work opportunities. Further, a number of US citizens have never lived in the United States (they were born to at least one US citizen parent) and, as mentioned above, many are “Accidental Americans” who were born in the United States but left with their families when they were very small children.

Nearly one-fifth of the subjects of von Koppenfels’s study worked in education; in most of those cases they were teaching English on a freelance basis. Another one-fifth worked in IT or communications. Of the remainder, many were veterans of the US armed forces who remained overseas after retirement or the end of a tour of duty, and many were retirees, typically living in low-cost locations like Mexico or rural Portugal.

Finally, while US citizens live in at least 100 countries, the large majority of them live in high-tax countries such as the United Kingdom, Canada, Germany, Australia and France. Indeed, of the top ten countries hosting US citizens, only one—Mexico—has a lower total tax burden as a percentage of GDP as compared to the United States.³¹

There is nothing in the information above to support the preconceptions either that US citizens living overseas are generally wealthy or that they left the United States in order to avoid US taxes. To the contrary, many if not most are of modest means (freelance English teachers, veterans and retirees), many if not most left the United States for marriage or to pursue work opportunities, and many live in countries where their tax burden is greater than it would be if they lived in the United States. Further, a significant number of US citizens living outside the United States either have never lived in the United States or they left when they were small children.

In sum, the evidence available indicates both that at most only a small percentage of US citizens living overseas are wealthy and that very few US citizens leave the United States for the purpose of avoiding US taxes.

D. No one is forcing you to live overseas. If you are unhappy then you should either move back to the United States or renounce your US citizenship

Contained in this response is the implicit acknowledgement of the burdens that US banking and taxation policies impose upon US citizens: Burdens that make it very difficult if not impossible to live a normal life outside of the United States, forcing many US citizens to choose between either returning to the United States or renouncing US citizenship.

This response raises a number of issues:

Practically speaking, few US citizens living overseas are in a position to simply move to the United States. US citizens live overseas for valid and enduring reasons, such as in order to share their life with a spouse or partner and other family members or in order to pursue professional opportunities. These reasons have led them to build lives in their countries of residence: raising families, pursuing careers, creating businesses, etc. The suggestion that they simply “move back to the United States” is a suggestion that they break up their families and turn their backs on their livelihoods.

Further, this response assumes that all US citizens have previously lived in the United States. This is not the case: a number of US citizens either have never lived in the United States or they left the country when they were children.

In sum, simply “moving back” to the United States is not a real choice for many if not most US citizens who live outside the country. To the contrary, it is an action that would result in devastating consequences.

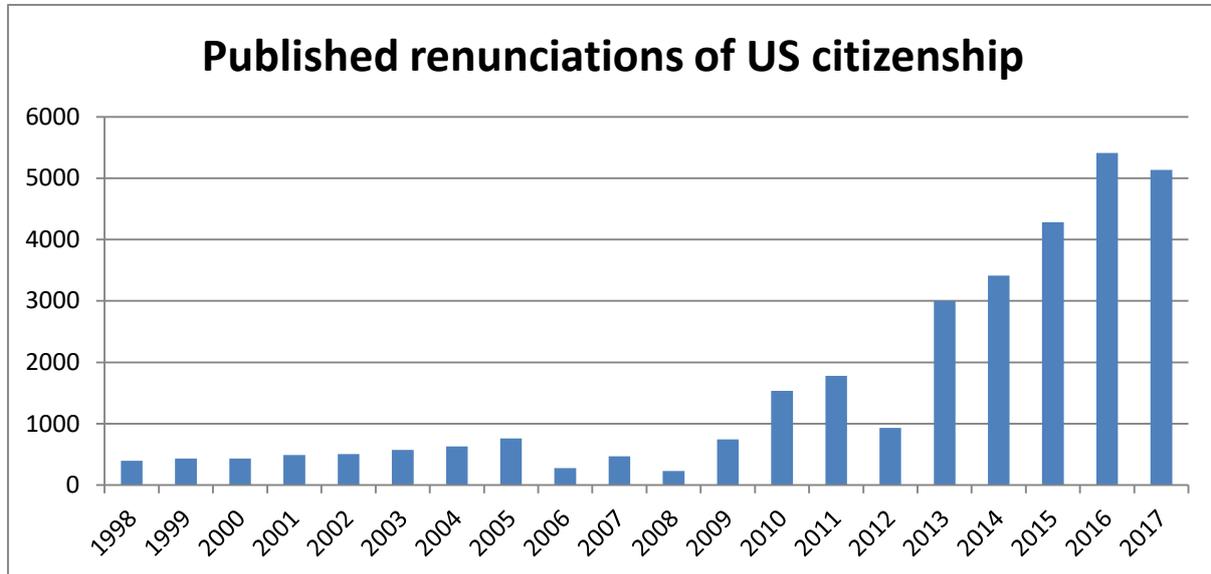
Renouncing US citizenship presents its own formidable obstacles:

To begin, the process is complex and, especially, very expensive. Officially documenting loss of citizenship requires a Certificate of Loss of Nationality (CLN), which costs US\$ 2,350 (the highest renunciation fee in the world³²). Further, the renunciation process normally involves the submission of a complex form detailing the individual’s income and assets in order to determine if the individual is a “covered expatriate” (Form 8854). One criterion that would establish covered expatriate status is the failure to certify compliance with US tax law during the five years prior to renunciation. Another criterion of covered expatriate status is if the individual’s net worth at the time of renunciation exceeds US\$2 million. As an example, if the individual owns a modest home in a place where real estate values are high, the market value of his/her home, alone or together with other assets, such as a retirement fund,³³ could result in a total net worth of US\$2 million or more, thereby qualifying the individual as a covered expatriate.³⁴

Covered expatriates are subject to an “exit tax.” This tax is based upon the total value of the individual’s assets. The individual will be liable for applicable capital gains as well as any other taxes based upon the deemed disposition of the assets at the time of renunciation, in a manner akin to an estate tax.

In her article “Investing with One Hand Tied Behind Your Back,” Karen Alpert estimates that for a family with two US citizen parents and two young adult US citizen offspring, renouncing US citizenship and fulfilling any obligations as a covered expatriate would require, in addition to any exit tax owed, the payment of: (1) administrative fees of US\$ 9,400, (2) the cost of travel to the nearest consulate, (3) the cost of ensuring tax compliance for the preceding five years, (4) the cost of preparing four final US tax returns including Form 8854, and (5) the cost of the legal advice needed to navigate the complex process.³⁵

In sum, the cost to renounce US citizenship is daunting. While certainly some can afford it and do pay it (indeed, the chart below demonstrates that the number of renunciations has shot up considerably since the implementation of FATCA), understandably it is out of reach for many.



Source: [Andrew Mitchel](#) and [Forbes](#).

The second obstacle to renouncing US citizenship is the problem of statelessness. While, as discussed above, a significant number of US citizens living overseas are also citizens of one or more other countries, many are not. This is notably (but by no means exclusively) the case of US citizens who reside in countries where it is an especially difficult, or at least an especially lengthy process, to become a naturalized citizen—countries such as Austria, Germany, Switzerland, Qatar, United Arab Emirates, Japan, and China.³⁶ US citizens who renounce their citizenship without being a citizen of at least one other country become stateless.

Statelessness means that no country in the world considers you to be a citizen of that country. Stateless persons are highly vulnerable: considered a foreigner by every country in the world, they may lose the right to work, to vote, to hold public office, or even to live in any country. Statelessness may also mean losing rights to attend school, to have a bank account, to own real estate, to access healthcare, to get married.³⁷ Statelessness is such a serious condition that it is considered to be a human rights violation; the right to a nationality is a fundamental human right.³⁸ In this context, the suggestion that someone who is not a citizen of any other country should renounce their US citizenship is, at best, unhelpful.

The third obstacle to renouncing US citizenship is psychological. For many people, citizenship is an integral part of their identity.³⁹ Suggesting they give it up is akin to suggesting they give up a limb.⁴⁰ Those who have renounced, in many cases because they felt they had no choice,⁴¹ describe the experience as “gut-wrenching,”⁴² and “it hurts my heart.”⁴³ Understandably, not everyone has the immense emotional fortitude required to take what is an irreversible step.

Further, many US citizens living overseas have close family members living in the United States. Those family members often include aging parents and/or others who are unable to undertake international travel. Renunciation of US citizenship incurs the risk of not being able to enter the United States even on a temporary visit,⁴⁴ let alone on a long term basis in order to care for or visit a family member, because only current US citizens have the right to enter the United States.⁴⁵ For many US citizens living overseas, incurring this risk is unthinkable.

Indeed, placing US citizens living overseas in the position where they must choose between either moving (back) to the United States or renouncing their US citizenship violates Article 13 of the Universal Declaration of Human Rights which provides: “Everyone has the right to leave any country, including his own, and to return to his country.”⁴⁶

In sum, for most US citizens living overseas, there are huge if not insurmountable barriers to moving “back” to the United States as well as to renouncing US citizenship. Suggesting these highly consequential—indeed, drastic—actions as solutions to the problems created by FATCA and non-resident taxation both: (1) acknowledges the severe hardships these policies create, and (2) exposes the fundamental injustice of the policies. Contained in the suggestion is the acceptance that US citizens, in violation of Article 13 of the Universal Declaration of Human Rights, are not fully free to live outside the United States. The suggestion makes a mockery of the American values of freedom and self-determination.

¹ Public Law 115–97—Dec. 22, 2017, <https://www.congress.gov/115/plaws/publ97/PLAW-115publ97.pdf>.

² All of these responses are reflected in this single Twitter exchange: <https://twitter.com/stucrew1/status/1075059558094176256>.

³ Karen Alpert, “TCJA and US Expats,” Fix the Tax Treaty, Dec. 19, 2018, <http://fixthetaxtreaty.org/2018/12/19/tcja-and-us-expats/>.

⁴ Ibid.

⁵ “Foreign Tax Credit,” Mecklai CPA, undated, <https://mecklaicpa.ca/foreign-tax-credit/>; Hayden Adams, “Claiming Foreign Taxes: Credit or Deduction?” Charles Schwab, Nov. 27, 2017, <https://www.schwab.com/resource-center/insights/content/claiming-foreign-taxes-credit-or-deduction>.

⁶ Daniel Kurt, “Understanding Taxation of Foreign Investments,” Investopedia, Dec. 13, 2018, <https://www.investopedia.com/articles/personal-finance/012214/understanding-taxation-foreign-investments.asp>

⁷ “French Capital Gains Tax,” French-Property.com, undated, <https://www.french-property.com/guides/france/finance-taxation/taxation/capital-gains-tax/rate#i>; “CGT Exemptions for Inherited Dwellings,” Australian Taxation Office, last modified June 29, 2018, <https://www.ato.gov.au/General/Capital-gains-tax/Deceased-estates-and-inheritances/Inherited-dwellings/CGT-exemptions-for-inherited-dwellings/>.

⁸ Joshua Ashman and Ephraim Moss, “Note to Expats: No, You Didn’t Dodge the U.S. Tax Bullet,” *Money*, April 20, 2016, <http://time.com/money/4298634/expat-expatriate-taxes-us-myths/>.

⁹ Patrycja Kowalska and Anne Bushman, “Do I Owe US Tax on My Foreign Pension Plan?” RSM, July 20, 2015, <https://rsmus.com/what-we-do/services/tax/international-tax-planning/do-i-owe-us-tax-on-my-foreign-pension-plan.html>; “Treatment of Foreign Pensions When It Comes to US Taxation,” Greenback Expert Tax Services, May 9, 2018, <https://www.greenbacktaxservices.com/blog/foreign-pensions-treatment-us-taxation/>. Specifically as regards retirement planning for Australian residents,

see Karen Alpert, “The Challenges of Investing and Financial Planning for Americans Abroad,” *Fix the Tax Treaty*, Oct. 13, 2018, <http://fixthetaxtreaty.org/2018/10/13/the-challenges-of-investing-and-financial-planning-for-americans-abroad/>.

¹⁰ Henry P. Bubel, Dahlia B. Doumar, and Carl A. Merino, “Beware the Life Insurance Tax Trap,” May, 2016, https://www.pbwt.com/content/uploads/2016/04/Beware-the-life-insurance-tax-trap_Private-Asset-Management_May-20161.pdf; Robert Lyon, “IRS Taxation of Foreign Life Insurance,” *IRS Medic*, May 14, 2015, <https://www.irsmedic.com/blog/2015/05/irs-taxation-of-foreign-life-insurance.html>; Venar Ayar, “US Citizen with Foreign Life Insurance? Better Call Tax Ghostbusters,” *Ayar Law*, June 17, 2016, <https://ayarlaw.com/foreign-life-insurance/>.

¹¹ For example, unemployment compensation is not taxable in Germany but is taxable in the United States. *Expat News*, “Filing US Expatriate Tax Returns for American Expats in Germany,” *Artio Partners*, undated, <https://www.artiopartners.com/country/overseas-us-expatriate-tax-returns-germany/>; “Frequently Asked Questions: About U.S. Expat Taxes for Americans Overseas,” *1040 Abroad*, undated, <https://1040abroad.com/faq/us-taxes-for-expats/>.

¹² Karen Alpert, “Investing with One Hand Tied Behind Your Back – An Australian Perspective on United States Tax Rules for Non-Resident Citizens,” Jan. 8, 2018, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3097931.

¹³ This is notably the case with respect to mutual funds. Kurt, “Understanding Taxation of Foreign Investments;” Wendy Connick, “The Tax Perils of Foreign Mutual Funds -- and How to Avoid Them,” *The Motley Fool*, Feb. 16, 2017, <https://www.fool.com/retirement/2017/02/16/the-tax-perils-of-foreign-mutual-funds-and-how-to.aspx>. See also Melanie Tringham, “US Expats Face a Big Tax Bill,” *FT Adviser*, Feb. 7, 2019, <https://www.ftadviser.com/investments/2019/02/07/us-expats-face-a-big-tax-bill/>.

¹⁴ “Owe Back Taxes? Lose Your Passport,” *Bloomberg*, undated, <https://www.babinc.org/bloomberg-owe-back-taxes-lose-passport/>; Stephen Fishman, “When U.S. Citizens Living Abroad Owe U.S. Tax,” *Nolo*, undated, <https://www.nolo.com/legal-encyclopedia/when-us-citizens-living-abroad-owe-us-tax.html>.

¹⁵ This figure is derived from raw data for 2016 provided by the IRS at <https://www.irs.gov/pub/irs-soi/16in52oa.xls>. This form shows 764,580 returns filed from “other areas” (Cell B9) and 352,160 returns with a tax liability (Cell B142). $764,580 - 352,160 / 764,580 = 53.94\%$ of returns filed from “other areas” had no tax liability. “SOI Tax Stats - Historic Table 2,” IRS, last updated Nov. 5, 2018, <https://www.irs.gov/statistics/soi-tax-stats-historic-table-2>.

¹⁶ Matt Chorley, “Boris Caves In and Pays Up 'Outrageous' US Tax Bill Imposed Because He Was Born in America,” *Daily Mail*, Jan. 22, 2015, <https://www.dailymail.co.uk/news/article-2921505/Boris-caves-pays-outrageous-tax-bill-imposed-born-America.html>. Senator Elizabeth Warren of Massachusetts has repeated on more than one occasion the mantra that Americans living overseas should “pay their fair share.” See, for example, Christina Warren, “Did I Ever Really Have a Say?” *Swiss Info*, Oct. 4, 2016, http://www.swissinfo.ch/eng/politics/op-ed--us-election_did-i-ever-really-have-a-say-/42384176; and

DL Nelson, “FATCA-Elizabeth Warren You Haven't a Clue,” *The Expat Writer*, March 18, 2015, <http://theexpatwriter.blogspot.com/2015/03/fatca-elizabeth-warren-you-havent-clue.html>.

¹⁷ Kristin Gordon, “Hotel Occupancy Tax is Filling Funding Vacancies for Municipalities,” *SPI Insights*, July 14, 2017, <https://www.spartnerships.com/hotel-occupancy-tax-filling-funding-vacancies-municipalities/>; Christopher Elliott, “Top 10 Cities with the Highest Travel Taxes,” *Fortune*, Aug. 3, 2015, <http://fortune.com/2015/08/03/travel-taxes-summer-vacation/>; “City of Sonoma Measure S, Transient Occupancy Tax Increase, Passes,” *City of Sonoma*, Nov. 8, 2018, <https://www.sonomacity.org/city-of-sonoma-measure-s-transient-occupancy-tax-increase-passes/>.

¹⁸ Deborah N. Archer and Derek T. Muller, “The Twenty-Fourth Amendment,” *Constitution Center*, undated, <https://constitutioncenter.org/interactive-constitution/amendments/amendment-xxiv>.

¹⁹ Niall McCarthy, “The World's Most Powerful Passports,” *Forbes*, Oct. 11, 2018, <https://www.forbes.com/sites/niallmccarthy/2018/10/11/the-worlds-most-powerful-passports-infographic/#70bfcc36d610>.

²⁰ Passport issuance and renewal, consular reports of births abroad, issuance of social security numbers. 22 CFR “22.1 - Schedule of fees,” *Legal Information Institute*, <https://www.law.cornell.edu/cfr/text/22/22.1>.

²¹ The fees are far from nominal. For example, notarization costs \$50 per document as compared to the typical fee of \$5 in the United States. An application for a Consular Report of Birth Abroad costs \$100 as compared to the typical fee of \$15 to \$30 for a birth certificate in the United States. And the fee to renounce US citizenship is a whopping \$2,350, the highest renunciation fee in the world.

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²² “US Government Shutdown and Consular Services,” AARO, Jan. 11, 2019, https://www.aaro.org/advocacy/citizenship/775-us-government-shutdown-and-consular-services?fbclid=IwAR3trj4Khia0w6qL6RrqTY2_XB5sMh6fYwu1TvpXSM1KXgkTx8H7zTYPWg.

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