



Ministry of Finance

> Postbus 20201 2500 EE Den Haag The Netherlands

Department of the Treasury
Mr. Jacob J. Lew
Secretary of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220
United States of America

**International Tax and
Consumer Tax Directorate**

Korte Voorhout 7
2511 CW Den Haag
Postbus 20201
2500 EE Den Haag
www.rijksoverheid.nl

Our reference
2016-0000125357

Your letter / Your reference

Date - **6 SEP 2016**
Subject Accidental dual citizens (U.S.-The Netherlands)

Dear Mr. Lew,

With this letter I would like to bring the issue with regard to the accidental dual citizens (also referred to as: "accidental Americans") to your attention.

Please allow me to explain this sensitive issue, which has been raised by members of the Dutch Parliament. As is mentioned in the proposal of the Department of Treasury, Administration's Fiscal Year 2017 Revenue Proposals (dated February 2016), an individual may become a U.S. citizen at birth either by being born in the United States (or in certain U.S. territories or possessions) or by having a parent who is a U.S. citizen. All U.S. citizens generally are subject to U.S. income taxation on their worldwide income, even if they reside abroad. U.S. citizens that reside abroad also may be subject to tax in their country of residence. This might raise international double taxation for these individuals.

Individuals who became citizens of both the United States and the Netherlands at birth may have had minimal contact with the United States and sometimes only recently learned that they are also U.S. citizens. Many of these Dutch individuals would like to relinquish their U.S. citizenship in accordance with established State Department procedures, but doing so would incur significant administrative costs in relation to possible tax due in the U.S. In the (budget)proposal of the Obama administration, a Dutch resident will not be subject to tax as a U.S. citizen if certain conditions are met. The question is whether a Dutch resident with a U.S. citizenship can be relieved from his/her U.S. tax duties at minimal or no costs. It has been, and still is, a substantial (administrative) burden for these Dutch residents.

It is my task to help these Dutch residents. Therefore, I have committed myself to do my utmost to find a solution for these accidental Americans. I would be interested to learn your views on the estimated timeline with respect to the abovementioned proposal of the Obama administration and an estimate when the proposal will be adopted into U.S. law and I would highly appreciate if my staff could discuss the issue with your staff.

I am looking forward to your response at your earliest convenience.

Yours sincerely,
THE STATE SECRETARY OF FINANCE

A handwritten signature in black ink, appearing to read "Eric Wiebes". The signature is written in a cursive style with a large initial "E".

Eric Wiebes

**International Tax and
Consumer Tax Directorate**

**Our reference
2016-0000125357**