117TH CONGRESS
1ST SESSION

H. R. ______

To amend the Internal Revenue Code of 1986 to provide an exception from certain reporting requirements with respect to the foreign accounts of individuals who live abroad.

IN THE HOUSE OF REPRESENTATIVES

Mrs. CAROLYN B. MALONEY of New York introduced the following bill; which was referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to provide an exception from certain reporting requirements with respect to the foreign accounts of individuals who live abroad.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Overseas Americans
5 Financial Access Act”.

SEC. 2. EXCEPTION TO CERTAIN REPORTING REQUIREMENTS APPLICABLE TO FOREIGN FINANCIAL INSTITUTIONS WITH RESPECT TO CERTAIN INDIVIDUALS WHO LIVE ABROAD.

(a) In General.—Section 1471(d)(1) of the Internal Revenue Code of 1986 is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

“(C) Exception for certain individuals who live abroad.—

“(i) In general.—Unless the foreign financial institution elects to not have this subparagraph apply, such term shall not include any depository account maintained by such financial institution if each holder of such account is—

“(I) a natural person, and

“(II) a qualified individual with respect to a foreign country in which such foreign financial institution is licensed to conduct business.

“(ii) Qualified individual.—For purposes of this subparagraph, an individual is a qualified individual with respect to any foreign country if such individual would be a qualified individual under sec-
tion 911(d) if the only foreign country taken into account under such section were such foreign country.”.

(b) Effective Date.—

(1) In General.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Modification of Agreements.—At the request of any foreign financial institution, the Secretary of the Treasury (or the Secretary’s delegate) shall, as promptly as is practicable, modify any agreement which is in effect between the Secretary and such foreign financial institution under section 1471 of the Internal Revenue Code of 1986 to take into account the amendments made by this section.

SEC. 3. EXCEPTION FOR CERTAIN INDIVIDUALS WHO LIVE ABROAD TO CERTAIN REPORTING REQUIREMENTS APPLICABLE TO INDIVIDUALS WITH FOREIGN FINANCIAL ASSETS.

(a) In General.—Section 6038D of the Internal Revenue Code of 1986 is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

“(h) Exception for Certain Financial Accounts of Individuals Living Abroad.—
“(1) IN GENERAL.—In the case of a qualified individual with respect to any foreign country, subsection (a) shall not apply to such individual for any taxable year if such individual would not be required to provide any information under such subsection for such taxable year if the qualified foreign accounts in which such individual holds an interest were not taken into account as specified foreign financial assets for purposes of this section.

“(2) QUALIFIED FOREIGN ACCOUNT.—For purposes of this subsection, the term ‘qualified foreign account’ means, with respect to any qualified individual, any account described in subsection (b)(1) which is maintained by a financial institution which is licensed to conduct business in the foreign country with respect to which such individual is a qualified individual.

“(3) QUALIFIED INDIVIDUAL.—For purposes of this subsection, an individual is a qualified individual with respect to any foreign country if such individual would be a qualified individual under section 911(d) if the only foreign country taken into account under such section were such foreign country.”.
(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.