

117TH CONGRESS
1ST SESSION

H. R. 6057

To create a short form tax return to simplify the return process for certain taxpayers living abroad, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 19, 2021

Mr. BEYER (for himself, Ms. TITUS, Mrs. CAROLYN B. MALONEY of New York, and Ms. SALAZAR) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To create a short form tax return to simplify the return process for certain taxpayers living abroad, and for other purposes.

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 “Tax Simplification for
5 Americans Abroad Act”.

6 **SEC. 2. SHORT FORM FOR CERTAIN TAXPAYERS LIVING**
7 **ABROAD.**

8 (a) IN GENERAL.—The Secretary of the Treasury (or
9 the Secretary’s delegate) shall make available a form for

1 use by specified individuals to file the return of tax im-
2 posed by chapter 1 of the Internal Revenue Code of 1986.
3 Such form shall replace Forms 1040, 2555, 1116, 5471,
4 3520, 708, and other forms for disclosing income, deduc-
5 tions and offsets, and shall be as similar to Form 1040-
6 EZ as it existed in 2017, except that the form shall allow
7 an individual to, with respect to a taxable year—

8 (1) demonstrate that such individual is a non-
9 resident for purposes of the substantial presence test
10 under section 7701(b)(3) of such Code,

11 (2) declare foreign income described in section
12 911,

13 (3) characterize income based on source, includ-
14 ing—

15 (A) wages,

16 (B) contract income,

17 (C) foreign government benefits,

18 (D) pension and other retirement income,

19 (E) scholarships and fellowship grants,

20 (F) interest,

21 (G) dividends, and

22 (H) capital gains,

23 (4) claim the standard deduction and, if appli-
24 cable, the child tax credit and earned income tax
25 credit,

1 (5) declare foreign taxes paid, and

2 (6) declare United States source income from
3 retirement, pension and social security benefits to be
4 treated as resourced from treaty income where tax
5 has been paid upon distribution.

6 (b) SPECIFIED INDIVIDUAL.—

7 (1) IN GENERAL.—For purposes of this section,
8 the term “specified individual” means, with respect
9 to a taxable year, an individual—

10 (A) who qualifies as a non-resident citizen
11 under the substantial presence test of section
12 7701(b)(3), or is the spouse of non-resident cit-
13 izen, and

14 (B) who declares—

15 (i) an income less than \$400,000, and

16 (ii) a tax liability of \$0.

17 (2) INFLATION ADJUSTMENT.—

18 (A) IN GENERAL.—In the case of any tax-
19 able year beginning after 2023, the \$400,000
20 amount in paragraph (1)(B)(i) shall be in-
21 creased by an amount equal to—

22 (i) such dollar amount, multiplied by

23 (ii) the cost-of-living adjustment de-
24 termined under section 1(f)(3) for the cal-
25 endar year in which the taxable year be-

1 gins, determined by substituting “2022”
 2 for “2016” in subparagraph (A)(ii) there-
 3 of.

4 (c) EFFECTIVE DATE.—The form required by sub-
 5 section (a) shall be made available for taxable years begin-
 6 ning one year after the date of the enactment of this Act.

7 **SEC. 3. EXPANSION OF INCOME ALLOWED AS FOREIGN**
 8 **EARNED INCOME.**

9 (a) IN GENERAL.—Section 911 of the Internal Rev-
 10 enue Code of 1986 is amended—

11 (1) in subsection (b)(1)(B), by striking clause
 12 (i) and by redesignating clauses (ii) through (iv) as
 13 clause (i) through (iii), respectively,

14 (2) in subsection (b)(1)(A), by striking “attrib-
 15 utable to services performed by such individual” and
 16 inserting “attributable to services performed by such
 17 individual or benefits received by such individual”,
 18 and

19 (3) in subsection (d)(2), by striking “wages,
 20 salaries, or professional fees” and inserting “wages,
 21 salaries, professional fees, pensions, scholarships, fel-
 22 lowship grants, interest and dividends, capital gains,
 23 distributions from retirement funds, or payments re-
 24 ceived by the taxpayer with respect to disability, un-
 25 employment, family medical leave, or childcare”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 subsection (a) shall apply to taxable years beginning after
3 the date of the enactment of this Act.

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