

Congress of the United States  
House of Representatives  
Washington, DC 20515

December 8, 2003

The Honorable John Snow  
Secretary of the Treasury  
Department of Treasury  
1500 Pennsylvania Ave, NW  
Washington, D.C. 20220

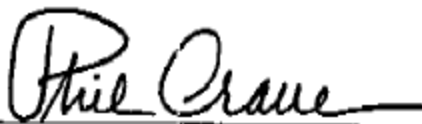
Dear Secretary Snow:

We are writing to express our concerns about a proposed IRS regulation (REG-133254-02) that would force U.S. banks to report the deposit interest they pay to nonresident aliens. The regulation is not needed to enforce our tax laws, but it would impose high costs. Our banking system has attracted more than \$1.75 trillion from overseas. This money is very important to job creation, and helps finance home mortgages, auto loans, and small business expansion. Nonresident alien bank accounts are only a slice of that total, to be sure, but any loss of capital will undermine the economy's performance.

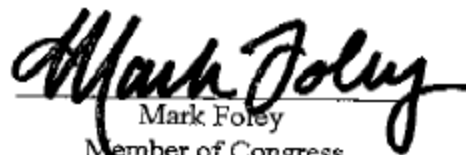
We also are concerned that the IRS is overstepping its proper role. For more than 80 years, Congress has sought to attract capital to our financial system by not taxing nonresident alien bank deposit interest and not requiring the reporting of this income. The IRS certainly has the right to propose changes in tax policy, but the agency should not use its rulemaking power to overturn existing law.

We ask that this regulation be permanently withdrawn and look forward to your response.

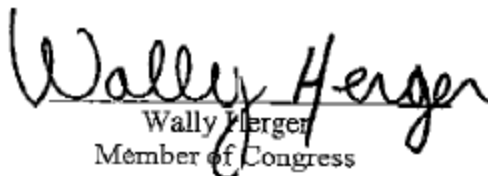
Sincerely,



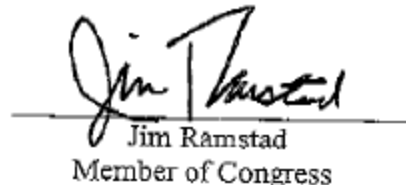
Philip M. Crane  
Member of Congress



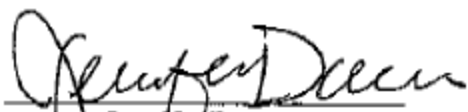
Mark Foley  
Member of Congress

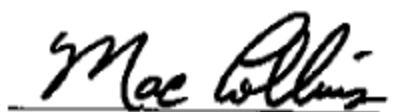


Wally Herger  
Member of Congress



Jim Ramstad  
Member of Congress

  
Jennifer Dunn  
Member of Congress

  
Mac Collins  
Member of Congress

  
Phil English  
Member of Congress

  
Ron Lewis  
Member of Congress