



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

October 3, 2011

The Honorable Blaine Luetkemeyer
U.S. House of Representatives
Washington, DC 20515

Dear Representative Luetkemeyer:

Thank you for your letter to Secretary Geithner regarding the Foreign Account Tax Compliance Act (FATCA) provisions of the Hiring Incentives to Restore Employment Act of 2010. Your letter urges that we keep potential impact on U.S. capital markets in mind as we implement the provisions of FATCA. Because your letter concerns a matter of tax policy, it was referred to me.

The Treasury Department and Internal Revenue Service share your commitment to maintaining strong U.S. capital markets, and we have been closely consulting with U.S. and foreign financial institutions as we develop guidance to implement FATCA. In addition, as you noted in your letter, Treasury and IRS issued a Notice on July 14, 2011, providing for phased implementation of the obligations imposed by FATCA over a transition period lasting through 2015, in order to provide financial institutions sufficient time to adapt their procedures and information technology systems.

Treasury and IRS are working assiduously to provide further guidance that will help to implement FATCA in an efficient, effective and commercially reasonable manner. This guidance will reflect careful consideration of the comments that we are receiving from the financial industry.

Thank you again for your letter, and we look forward to continuing to work with you on this important matter.

Sincerely,

A handwritten signature in cursive script that reads "Emily S. McMahon".

Emily S. McMahon
Acting Assistant Secretary (Tax Policy)

Identical letter sent to:

The Honorable Ron Paul
The Honorable John Campbell
The Honorable Donald Manzullo