

From: RobPlank <robplank@cox.net>
Sent: Thursday, February 4, 2010 4:40 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex
Attach: USA debt clock.bmp

I have read that there are proposals to change rules again, one of several in the last twelve months.

The CFTC needs to seriously consider what the end effect will be on USA tax revenue if the CFTC imposes rules which are more restrictive or different than other countries. Basically, like several other industries it will be driven to overseas locations and markets. Worse in my opinion, the profits will be first taxed where the account or corporation is located, even if the trader is located in the USA. Yes, the trader will finally pay taxes to the USA.

Note, the foreign taxes paid will be credited against the USA taxes owed/paid. That is unless the tax laws are changed also.

If reducing leverage is the true goal, then this must be done on an international basis; otherwise the traders/corporation will just relocate the trading accounts overseas. The major effect will be to reduce USA tax receipts.

With the projected budget deficits, and current USA government debt and unfunded obligations, this is not a wise move, simply stated. See attachment.

Unless the leverage requirement is implemented on an international basis the only effect will be to change the leverage requirement for people who do not have significant assets to open an overseas account and or form an overseas corporation. I would suggest that the CFTC investigate what percentage of accounts would be effected by the proposed change in leverage.

My guess would be that \$100,000 of assets (total - not just in the trading account would be needed) in order to economically justify setting up an account or corporation overseas so one would not be at a disadvantage to "foreign" competitors. The actual percentage of accounts that would be effected would be much less than five percent as a guess. The other 95% of the accounts, would move overseas. What would be the loss in tax revenue to the U.S. Treasury if this was to occur?

Furthermore, this would prevent or discourage USA taxpayer who do not yet have sufficient assets to form an "overseas" account from taking an interest in the markets. Just like any serious occupation, one does not immediately jump in and start making money, it takes time, experience and training. If discouraged, this is just one more industry that will permanently move off shore, taking with it the tax

receipt, present
and future.

Bottom line, unless the leverage requirement is implemented on an international basis, the only effect will be is to decrease USA tax revenue. Is the CFTC really this desperate to decrease USA tax revenue?

US Debt Clock.org

Year to Date **Real-Time Total**

US NATIONAL DEBT
 \$12,363,397,015,890
 DEBT PER CITIZEN \$40,060
 DEBT PER TAXPAYER \$113,136

US FEDERAL TAX REVENUE
 \$209,691,407,634
 INCOME TAX \$91,203,796,310
 PAYROLL TAX \$84,647,896,620
 DEBT TO GDP RATIO 86.63537

US FEDERAL SPENDING
 \$339,748,504,873
 US FEDERAL BUDGET DEFICIT
 \$130,056,951,907

STATE REVENUE
 \$116,607,765,471
 STATE DEBT \$1,083,513,990,349
 LOCAL REVENUE \$137,976,834,999
 LOCAL DEBT \$1,855,168,970,254

Largest Budget Items

MEDICARE/MEDICAID \$77,859,300,734	SOCIAL SECURITY \$67,488,917,006	FEDERAL PENSIONS \$18,892,732,339
DEFENSE/WARS \$44,522,839,339	INTEREST ON DEBT \$41,263,435,399	EARMARKS \$1,849,811,338

US GROSS DOMESTIC PRODUCT
 \$1,407,102,669,163
 GDP PER CITIZEN \$4,559
 GDP PER WORKER \$10,156

TOTAL FEDERAL/STATE/LOCAL REVENUE (COST)
 \$444,276,063,028

TOTAL COST PER CITIZEN
 \$1,439

TOTAL COST PER FAMILY
 \$5,513

US POPULATION
 308,635,179

US INCOME TAXPAYERS
 109,230,939

OFFICIAL UNEMPLOYED
 15,317,126

ACTUAL UNEMPLOYED
 26,511,312

US TOTAL INTEREST
 \$185,648,229,507

INTEREST PER CITIZEN
 \$602

US TOTAL DEBT
 \$54,798,635,370,296

TOTAL DEBT PER CITIZEN
 \$177,562

TOTAL DEBT PER FAMILY
 \$679,797

INCOME PER FAMILY
 \$6,139

STATE/LOCAL EMPLOYEES
 16,819,776

FEDERAL EMPLOYEES
 4,245,304

TOTAL PERSONAL DEBT
 \$16,660,468,181,616

MORTGAGE DEBT
 \$14,234,478,788,812

CONSUMER DEBT
 \$2,425,989,389,731

CREDIT CARD DEBT
 \$843,773,410,177

PERSONAL DEBT PER CIT.
 \$53,985

US WORK FORCE
 138,546,268

FEDERAL RESERVE MONETARY BASE
 \$2,040,173,939,782

CURRENCY AND CREDIT DERIVATIVES
 \$639,002,343,136,845

US GOVERNMENT BAILOUTS - 2008-2010
 \$7,448,975,235,420

PERSONAL SAVINGS
 \$342,024,501,446

SAVINGS PER CITIZEN
 \$1,108

US RETIREES
 37,613,645

US DEBT HELD BY FOREIGN COUNTRIES
 \$3,816,808,325,038

US TRADE DEFICIT
 \$45,668,357,977

US TRADE DEFICIT - CHINA
 \$21,986,892,128

IMPORTED OIL - 2010 YTD
 \$31,667,142,522

IMPORTED OIL - OPEC
 \$12,766,836,664

US FAMILIES
 90,670,377

SMALL BUSINESS ASSETS
 \$4,738,785,993,463

CORPORATION ASSETS
 \$15,002,058,345,848

HOUSEHOLD ASSETS
 \$7,149,177,220,632

TOTAL NATIONAL ASSETS
 \$74,900,021,613,415

ASSETS PER CITIZEN
 \$242,695

SOCIAL SECURITY LIABILITY
 \$14,144,921,041,801

PRESCRIPTION DRUG LIABILITY
 \$18,714,816,593,501

MEDICARE LIABILITY
 \$74,424,046,173,828

US UNFUNDED LIABILITIES
 \$107,283,786,003,740

LIABILITY PER CITIZEN
 \$347,630

FOOD STAMP RECIPIENTS
 34,334,477

BANKRUPTCIES - 2009
 137,908

FORECLOSURES - 2009
 83,399