What is **FATCA**?

The Foreign Account Tax Compliance Act (FATCA) is a U.S. law that directs every financial institution in the world to report to the U.S tax agency (IRS) **confidential bank account information** on U.S. persons, wherever they live and regardless of any other citizenship they may have.

Who is a **U.S. person**?

You may be considered a U.S. person for any of the following reasons:

* Born in the U.S.A.
* Born outside the U.S.A. to at least one American parent
* Lived in the U.S.A. or are a green card holder
* Visited too long in the U.S.A. in any given year (meeting the substantial presence test)
* Married to a U.S. person , sharing a financial account, or granting signing authority over an account to a U.S. person

**What information** will FATCA collect?

FATCA requires the world’s financial institutions to report annually to the IRS on a variety of everyday bank accounts and more. This reporting is in additionto tax filings the IRS already requires of U.S. persons every year, filings that often result in no tax owing due to tax treaties.

**What will the U.S.A. do** with all that information?

The IRS will use it to verify its own tax records and is authorised to exchange information with other U.S. agencies such as the NSA and the FBI.

Isn’t FATCA about catching **rich tax evaders**?

No, FATCA is about collecting the financial details of any individual living outside the U.S.A. who it has deemed a U.S. “person”, *regardless* of income. The information is sent either by your bank to the IRS, or through a contract with your government called an Intergovernmental Agreement (IGA) - should your country have acceded to one.

But I’m not a U.S. person. **What does FATCA have to do with me**?

Your bank will look through your accounts that meet specific thresholds, searching for any indication that you might be a U.S. person. For example, receiving funds into your account from a U.S. source, owning a vacation property or sharing an account with a American citizen are viewed as “connections” to the U.S. If indications are found, you will be asked to prove that you are not a U.S. person by providing evidence such as another passport or birth certificate. It’s predicted that some will need to provide proof that they *aren’t* a US person – to prove a negative – which can be very difficult, if not *impossible* to do. Failure to provide proof will be seen as enough evidence that you are a U.S. person and will subject you to their tax laws. Your country’s privacy laws WILL NOT PREVENT THIS FROM HAPPENING should there be an IGA between your government and the U.S.A.

In addition, FATCA is extremely expensive for financial institutions and your government to implement and run. It’s foreseeable that the costs of enforcing this extraterritorial law will be passed on to **every bank customer** in the form of higher bank fees and to **every citizen** in the form of higher taxes.

FATCA is being forced on your government and financial institutions right now, but it can be stopped. Contact your government representative and ask what they’re **doing to stop it**.

For more information visit these websites: isaacbrocksociety.ca; maplesandbox.ca; repealfatca.com or contact American Citizens Abroad at americansabroad.org or the Association of Americans Resident Overseas at aaro.org