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For Immediate Release

Alliance for the Defence of Canadian Sovereignty Retains Washington D.C Attorney to Change U.S. Expatriation Policies Applied to Canadian Citizens Resident in Canada

Today, the Alliance for the Defence of Canadian Sovereignty (ADCS-ADSC) retained Jim Butera, a Washington D.C. attorney with Jones Walker LLP. Mr. Butera will explore legal options to reverse practices of the United States government preventing Canadian citizens who are “Accidental Americans” from freeing themselves of U.S. citizenship and obligations.

Accidental Americans include those born in the U.S. but who left the United States at a young age to live permanently in another country. Although they have no meaningful ties to the U.S., they are claimed as “U.S. citizens” and subject to lifetime taxation on their non-U.S. income. Accidental Americans not compliant with the Internal Revenue Service (IRS) are considered by the U.S. to be “tax cheats” not paying their “fair share”.

Many Americans ask: “Why don’t these people who don’t want to be U.S. citizens just renounce their citizenship?” The answer is that the U.S. requires a variety of fees (expatriation penalties) to be released from U.S. citizenship and its obligations. Many cannot afford these different citizenship penalties which include the requirement to pay the professional costs of five years IRS compliance and the possibility of an onerous exit tax (designed to compensate the U.S. for losing the right to tax “Accidental Americans” in perpetuity). In addition, a new penalty is the increase in renunciation fee from U.S.\$450 to U.S.\$2,350, making it difficult for many Canadians to afford the cost of renunciation.

Kathleen is a Québécoise born in the U.S. to a French-Canadian mother and American father who left the U.S. at the age of three. She says “I know I can’t possibly plan for my retirement in Quebec while following these U.S. tax laws” and hopes to be able to pay the costs to renounce her citizenship. A middle class mother of three, she had to pay a tax expert to calculate the cost to renounce obligations to the IRS. “The cost will be at least one full year of income that I could have used for my retirement, and may be a lot more” says Kathleen.

“We want to change U.S. policies that could force into bankruptcy innocent Canadians, like Kathleen, who want to free themselves of U.S. citizenship that was imposed without consent. Submissions to Congress have had no effect. That’s why we are exploring legal options” says Stephen Kish, ADCS-ADSC Chair.

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