**NOTES: Meeting with My MP**

**Documents to bring:**

1-Justin Trudeau letter to Lynne Swanson (June 25, 2015)

2-Compilation of Liberal Comments on FATCA (2014 - Election 2015)

3-iPolitics.ca March 22 and 23, 2016

4-Report on “What the Agreement of the Canadian Government to Implement FATCA in Canada

Could Cost the Canadian Economy PER YEAR”

**1 - WHY has Liberal Govt changed it’s stance 180 degrees RE FATCA/IGA?????**

* We feel betrayed by Liberals 180 degree turn RE FATCA.
* Provide #1 , #2 and #3 documents
* “This is what Mr. Trudeau and many of his colleagues said before the election — and the statements are really quite clear and convincing. Can you please explain to me what specifically happened between then and now to change their minds? Especially given the harm of FATCA,, how soon can you get an answer?
* “**The Canada Revenue Agency quietly turned 155,000 banking records over to the U.S. Internal Revenue Service during last fall’s election, without waiting for an assessment from Canada’s Privacy Commissioner or the outcome of a court challenge .**
* YOU are now the government and have an obligation to protect all Cdn Citizens. The Liberal Govt has already reversed or amended other Conservative actions - - why not this one?
* **Who is protecting the rights of USP? Who is standing up for the Charter of Rights and Freedoms that holds that all in Canada are equal?**
* **Were you born outside Canada? Were your parents? How would you feel about XYZ country following you?**
* **Do you know** personally any U.S. “persons” living in Canada. How would you predict how these friends (all likely Canadian citizens) might feel about being turned over by her Government’s FATCA law.

THIS DID NOT HAVE TO HAPPEN - - US THREATS COULD HAVE BEEN THWARTED IF CANADA HAD STOOD UP AND SAID “NO WAY”

**I truly believe the Harper government felt (but never explored) it had no options even though it actually did. (The current government states it is too late, sorry the deal is done.  But this is also untrue**

[See: <http://isaacbrocksociety.ca/2016/02/11/listen-up-canadian-liberal-government-the-truth-about-fatca-jim-jatras/>]

[SEE: <http://www.citizenshipsolutions.ca/2016/03/10/france-to-study-how-u-s-extra-territorial-legislation-impacts-the-sovereignty-of-france/> ]

**And now there are other countries re-examining their acceptance of FATCA. Canada could join the EU, Israel and France if they are too scared to go it alone.  Other countries ARE taking initiatives against this and there is strength in numbers.  The US will NOT withhold on all of these countries; indeed, these countries CAN WITHHOLD on the US.   Ministers need have a chin-wag with the finance ministers/leaders of these other nations and with the OECD, speak with other nations in the G19 other than the US.  Have the courage to question folding to the bully to the south.**

**Canada and other countries should not be acting as unpaid (indeed, negatively paid) IRS informants**

**Besides, the IGA is “supposed” to be renegotiated prior to December 31st 2016; this is no longer that far away.**

**US & Eritrea are the only countries with Citizen-based taxes - - all others tax on Residency.**

Canada ousted the Ambassador of Eritrea for trying to collect taxes from Eritrean expats in Canada.

Yet they signed on to FATCA under threat of economic sanctions.

Would they sign on to a similar document from China, from the UK, from Russia???

I don’t think the Liberals understand the effect of FATCA on US Persons and on Canada’s economy. **Provide #4 document**

We now have, in Canada, a law that mandates discrimination & 2nd class citizenship against certain Canadian citizens in the places where they save and invest their money. The law endangers their ability to do either, and exposes them to the long arm of a taxman in a foreign country to which these citizens often have little or absolutely no connection.

Charter of Rights & Freedoms stipulates equal treatment based on nationality and parentage

**The number of US Persons in Canada is around 1 million, close to the number of native Canadians. (Native population in 2011= 1,400,685 851,560 First Nations, 451,795 Metis, 59,445 Inuit - - - 697,505 registered “Indian Status” ) There is a minister to deal with their issues Canada has no Minister for USP!!!**

ADCS Court case / constitutional Challenge- - to be heard later in 2016 at cost to govt and to citizens. How can Government justify this cost?

Why will Liberals not adopt Brison’s 2014 proposed ammendment

What will MP do to be a “strong voice” for me and all “US Persons” (now 2nd class citizens?)

Or is persecuting and betraying a subset of Canadian citizens and residents as protection money just the price the subset should surrender to serve the vastly more compelling interest of the Banks and the US machine

Does this government really support discrimination of any kind being applied to Canadian citizens?

The FATCA IGA is a signing away sovereignty.

It is opening up its tax base to another country and allowing that other country to apply its taxes and penalties to monies earned (and already taxed solely in Canada). It is forcing U.S. tainted Canadian citizens to transfer Canadian earned money into the this foreign tax authority for the benefit of that country - - all due to threats of sanctions and penalties for not following U.S. orders.

That Canada is not standing up for it’s citizens and principles leaves me deeply disappointed in my Government.

**I am amazed and horrified that the Prime Minister of Canada recently allowed this statement to stand (**in a response regarding FATCA), **asking Canadians to recognize the public interest of the United States at the expense of the sovereignty of our country:**

**“…..we must resign ourselves to the fact that we are faced with a requirement from the United States and that the requirement corresponds to the public interest of the United States, meaning the integrity of their tax regime.”**

**Also: The Privacy Commission review was passed on to CRA in January 2016 AFTER the September 2015 turnover of your bank records.**

**In other words, the Canadian Government thinks is OK to turnover private confidential data without any privacy assessment - - and the current Minister of Finance doesn’t see anything wrong with this?!?!?!?!?!**

Are we now a 51st state that MUST resign ourselves to obey? Should Canada not be more responsive to the laws, rights and public interest of Canada than the public interest of a foreign state?

**2 - INTRODUCTION TO FATCA**

O**WHO - 1 million in Canada (citizens & permanent residents) Not just US Citizens who came to Cda as adults, but Accidental Americans, and GreenCard holders, Children born outside US to 1 US parent, Joint account holders (spouses, Power of Attorney for USP, businesses and organizations where USP has signing authority, monies being held in trust by or for a USP e.g. for aging parent or disabled adult child)**

**WHAT** - A law passed in US without any congressional discussion (tacked on another bill) **AND**  A law passed with no discussion in Parliament (was discussed in Committee)

FATCA legislation was buried in HIRE act & never discussed in congress.

IGA legislation was buried in Bill C-31 (part 5) and not discussed on the floor of Parliament.

IGA = EXECUTIVE AGREEMENT, not signed by Congress, thus NOT A TREATY

**WHAT** - FATCA is **NOT tax-sharing legislation**. It is **NSA-style INFORMATION GATHERING!** It is being used to locate US citizens for taxation purposes, to collect & store information on total assets - - used to detect assets more than income - - **it is not focused on imposing tax but on data mining.** And all costs are being born by other countries. Banks (who are not citizenship lawyers) are determining if client MIGHT be a US person. Clients could say no but HAVE TO PROVE THIS (and gaining documentation of this from the US costs $2,350 US). If they fail to answer the banks’ inquiry for whatever reason, their accounts ARE BEING SENT TO THE IRS ANYWAY.

**WHAT** is required: Find all USPersons - - Identification of all “US Person” financial accounts, gather all account info on this USP + joint account holder, forwarding to the CRA the following information: **Name(s), Address, account number & branch info, tax number, year end balance, gross amount of dividends or interest, other income paid or credited to account, gross proceeds from sale of property paid into account**

The contents of bank account information going to CRA & on to IRS is not just earnings. Through FATCA, the CRA gets more info on these “US Persons” than on any other Canadian (which is a discriminatory level of info INSIDE CANADA’S CRA, makes USP second class citizens) Why should a million Canadians be exposed to the danger of having this info reported to foreign government?

What was asked for in transfer to the US since 1942 was tax information **requested through a court proceeding , with judicial oversight regarding a specified person**- - not a dragnet fishing expedition. This is not even considered tax information to the US

Far from being a normal, everyday, routine tax agreement such as that which (the Revenue Minister reminded us) has been in operation since 1942, the FATCA IGA is a new, “Enhanced” and **entirely discriminatory document** that endangers the financial security of a significant portion of Canada’s population.

FATCA regulations even require reporting on 100% Cdn joint account holders’ separate individual accounts at the same FFI (spouse, child, business partner, community organization). While RRSP is excluded from Bank FATCA reporting, the US person is obligated to report the RRSP account (and all others) to the Financial Crimes Enforcement Network (division of Justice Department)

**NOTE: While CRA and Minister Lebouthillier believes that these transfers will be done with strict confidentiality. Transer will NOT be kept as private as Tax Information - - bank records are not considered Tax Information and thus no compunction to hold back from transfer to FBI, Homeland Security, etc**

A 2012 letter from Sen. Carl Levin (D-Michigan), a prominent FATCA supporter, to then-IRS Commissioner Douglas H. Shulman: [SEE: <http://bsmlegal.com/PDFs/CarlLevin.pdf> , page 11]

Although FATCA is structured to address offshore tax abuse, offshore account information has significance far beyond the tax context, affecting cases involving money laundering, drug trafficking, terrorist financing, acts of corruption, financial fraud, and many other legal violations and crimes. Given the importance of offshore account disclosures, FATCA guidance and implementing rule should create account FATCA forms that are not designated as tax return information but, like FBARs, may be provided to law enforcement, regulatory, and ***national security*** communities upon request. ***FFIs are not, after all, US taxpayers,*** and will not be supplying tax information on behalf of their US clients; they will instead be providing information about accounts opened by US persons. The US Supreme Court has long held that ***bank account information is not inherently confidential*** but is subject to inspection by law enforcement and others in appropriate circumstances. Foreign account information is too important to a wide range of civil and criminal law enforcement and ***national security*** efforts to be designated as tax return information bound by Section 6103's severe restrictions on access [emphasis added]

**WHERE - Canada & ALL countries in the world fall under this FATCA threat**

**WHEN -** Annual report (end of September)

**HOW -** Electronic transfer of info to IRS

**NOTE: Records are sent via the internet and IRS HAS POOR RECORD OF IDENTITY THEFT THROUGH INTERNET HACKING)**

**[See:** [**http://qz.com/628761/the-irs-is-using-a-system-that-was-hacked-to-protect-victims-of-a-hack-and-it-was-just-hacked/**](http://qz.com/628761/the-irs-is-using-a-system-that-was-hacked-to-protect-victims-of-a-hack-and-it-was-just-hacked/) **AND** [**http://fortune.com/2016/03/25/irs-technology-taxes/**](http://fortune.com/2016/03/25/irs-technology-taxes/)**]**

3 - **REALITY OF US TAXES**

**US - Cdn Tax Treaty** has many “tax gaps” = Double Taxation

[See: http://taxpol.blogspot.ca/2015/11/fatca-citizenship-based-tax-and.html

**C**anadian’s earnings & pensions (and government assisted funds such as RDSP and RESP) are being taxed away to US.

Tax treaty has gaps so that USP are being double taxed / not getting benefit of Cdn tax laws.

Example - US taxes capital gains from the sale of primary residence

For most Canadians, **likely no tax due** - - **BUT** have to file extensive complex forms to **PROVE** THIS!!! Expensive to pay cross border accountant - - and they make mistakes!!! Some information is reported twice (on different forms) to two different offices. The list of all financial accounts and highest balance during the year **MUST** be sent electronically (raising the risk of identity theft).

**The IRS isn’t so much looking for tax payments; rather is seeking opportunities for heavy fines**. ($10,000 for each account not reported)

**4 - EFFECTS OF FATCA IN CANADA**

**Major banks have not closed their accounts to US Persons**

**But there is a western Cdn on-line bank that has refused to take any “US Person in Canada” clients = Discrimination**

**FATCA is costing Canada billions of dollars in set-up** and ongoing costs.

**Scotia Bank (alone) has reported 100 million as of 2013 !!**

**These costs = higher bank rates for all in Canada**

Yet it is estimated that FATCA will bring in only about 2.5 - 8.7 billion in additional tax revenue to the US over 11 years.

= **Capital flight** from Canada & all other countries into US coffers. (yet US is a tax haven with ++ secrecy!) - - INDEED, US is now largest TAX HAVEN in the world [SEE: <https://www.rt.com/business/330424-us-world-tax-haven/>] AND

<http://www.bloomberg.com/news/articles/2016-01-27/the-world-s-> favorite-new-tax-haven-is-the-united-states

**This is costing the world Hundred of Billions - and the US, nothing!!!**

**It will be costing Canada even more in the future (refer to document #4)**

**Potential loss/reassignment of job (**for those with signing authority)

**Financial records of (100% Canadian) joint-account holders** (individuals and businesses) are

being sent to a foreign country for non-confidential review by any government agency.

## New US law allows revocation of US passport based on IRS fines and money owed

SEE: <http://www.americanbazaaronline.com/2015/12/22/us-will-revoke-passport-of-citizens-who-owe-more-than-50000-to-irs/>

**Clear potential for identity theft in countries gathering list of “US persons” (think, especially, middle east war areas - - but also other countries with lesser computer security - - also through IRS computer system!!! )**

US Expats endure taxation without representation!

Accidental Americans - born across the border at nearest hospital, when parents were in US for holiday or study, finding out you’re a 60 year old “tax delinquent”

Currently in Toronto, 12 month wait for renunciation (@ $2,340) - - Cda citizenship renunciation =only $100 and can be done by Mail (as did Ted Cruz).

**5 - LACK OF RECIPROCITY FROM US**

**The FATCA IGA deal is NOT BEING HONOURED by the USA and is highly unlikely to be in the future!!!**

**Until reciprocal information begins, nothing further should be sent.**

**Why should any country honor a 1-way “bargain” made under the threat of economic sanctions (= ECONOMIC TERRORISM)**

**The US has NOT signed onto the OECD's CRS...they have NO intention of sharing data**

NO RECIPROCITY - thus, IGA is a 1-SIDED AGREEMENT & null/void.

<http://www.internationalinvestment.net/regions/irs-commissioner-koskinen-congress-approval-needed-for-crs/>

<https://www.internationalman.com/latest-news/treasury-lacks-authority-to-enforce-fatca-reciprocity>

http://blogs.angloinfo.com/us-tax/2016/01/16/the-us-and-its-reciprocal-igas-oh-really/

Head of IRS has said - - “There are questions about how much data the IRS can share about individual taxpayers under existing statutory framework - -

**THIS is why it is not signing on to OECD Common Reporting Standard, as are 60 or so other western countries**.

<http://www.internationalinvestment.net/regions/irs-commissioner-koskinen-congress-approval-needed-for-crs/> = why US can’t sign up for CRS with 40+ other countries

[**https://www.internationalman.com/latest-news/treasury-lacks-authority-to-enforce-fatca-reciprocity**](https://www.internationalman.com/latest-news/treasury-lacks-authority-to-enforce-fatca-reciprocity) **AND**

**http://blogs.angloinfo.com/us-tax/2016/01/16/the-us-and-its-reciprocal-igas-oh-really/**

***Over the past 4.5 years:***

**Our community has pleaded with the Parliament Finance Committee (May 2014)**

**We worked with Liberal and NDP MPs in the previous government who, at that time, supported our position**

**We have written to all current MPs but, because of the Liberal stance, have focused on supporting/keeping informed the NDP Finance critic (who is actively championing our cause)**

**We have written to multiple newspaper, electronic TV & radio journalists, but most have instead focused on articles & commentary produced by the accounting “Compliance Industry” (which has a very strong vested interest in that it now is being richly rewarded/poised to make massive future earning from the adoption of FATCA at the expense of individuals - and businesses - being massively imposed upon for the benefit of a foreign country)**

**We have written to the Mayors of all communities in Canada that sit along the US border**

**We have made petitions to US Congress and submissions to the Senate Finance Committee**

**We have written to the President of the United States, to Members of Congress and various American Abroad organizations**

**We have written to the United Nations (Human Rights Committee) about FATCA and the US policy of TAX SLAVERY (Citizen-based taxation based, in part, on place of birth or blood-line/parentage equaling “these individuals are life-long taxable”) and about the US getting the entire world to hunt down it’s permanent tax slaves (at their expense under threat of economic sanctions)**

**We have helped to establish and fund a federal Canadian Charter challenge regarding the adoption of the IGA; this is to be heard in 2016. It has been fully funded by hundreds and hundreds of small (and not so small) donations from Canadians across the country and supportive individuals from other countries that are being effected by FATCA [ SEE: The Alliance for the Defense of Canadian Sovereignty (ADCS)** [**http://www.adcs-adsc.ca/**](http://www.adcs-adsc.ca/) **]**

**There is a ”Stop FATCA” Federal court case registered in the US - (hearing date not yet set)**

**Neither the Canadian Financial Institutions nor the CRA have notified (or felt it necessary to notify) any of the 155,000 individuals who had their account records sent to the IRS in September**