
October 24, 2015 - FOR IMMEDIATE RELEASE

CANADA'S NEW PRIME MINISTER ASKED TO STOP COMPLYING WITH U.S. FATCA LAW: Open Letter

The Honourable Justin Trudeau,
Prime Minister Designate of Canada
Ottawa, Canada

Dear Mr. Trudeau:

Congratulations on the election of the Liberal Party of Canada and on becoming our Prime Minister. We look forward to a government that emphasizes what brings Canadians together rather than what divides us.

In that light, we are writing to you on a matter of urgency regarding the sovereignty of our country and the rights of ALL Canadians for the protection of our government.

The Alliance for the Defence of Canadian Sovereignty (ADCS-ADSC) was formed to support two Canadian citizens (both born in the US but solely resident in Canada since early childhood) in a lawsuit, now in Federal Court, challenging the enforcement of a United States law - the Foreign Account Tax Compliance Act (FATCA) - in Canada.

FATCA requires Canadian banks to report private banking information to the U.S. Internal Revenue Service (IRS) on those Canadians living in Canada deemed by the U.S. to be "U.S. Persons" regardless of their status as Canadian citizens or permanent residents, and in violation of Canadian privacy laws.

In response to the threat of severe sanctions by our trading partner, the Harper Government entered into an "Intergovernmental Agreement" (IGA) and passed legislation, opposed by Liberal Party, NDP and Green Party MPs, to ensure compliance with the foreign FATCA law. As a result, private banking information of over one million Canadian citizens and permanent residents, resident only in Canada, is now subject to disclosure to the IRS. The Conservative Government began the handover of data on September 30, 2015.

On June 25, 2015, you wrote to Ms. Lynne Swanson of the ADCS-ADSC about the FATCA issue and stated:

"The Government of Canada has a responsibility to stand up for its citizens when foreign governments are encroaching on their rights. We believe that the deal reached between Canada and the U.S. is insufficient to protect Canadians."

We appreciate those comments as well as those of other members of the Liberal Party (see attached). In contrast, the Conservative Government unequivocally failed to protect its citizens from interference by the U.S. with their rights as citizens or legal permanent residents of Canada. To repair the harm already done, we ask that you stand up for all Canadians by:

- 1) taking immediate steps to seek a just resolution of the costly lawsuit forced upon innocent Canadian citizens;
- 2) repealing the enabling legislation for the IGA entered into under threat of economic sanctions;
- 3) advising the IRS to destroy immediately all private banking information sent on or after September 30, 2015 and refrain from using such data in any legal proceedings against Canadians.

We look forward to a new era where, as you have said, "A Canadian is a Canadian is a Canadian."

Sincerely,

Stephen Kish, John Richardson, Patricia Moon, Carol Tapanila, Lynne Swanson
Alliance for the Defence of Canadian Sovereignty

Contact: Dr. Stephen Kish, Chair, Alliance for the Defence of Canadian Sovereignty (www.adcs-adsc.ca) email: Information@adcs-adsc.ca

COMMENTS OF MEMBERS OF THE LIBERAL PARTY ON FATCA “AGREEMENT” ENABLING LEGISLATION:

Marc Garneau, Liberal Foreign Affairs Critic, June 4, 2014, House of Commons:

“The government seems to have been very motivated to protect the banks from (FATCA) ...However, there does not seem to be the same concern for the citizens themselves. In fact, it seems that the government has folded its tent here, and it seems quite happy to do the work of the IRS insofar as citizens are concerned.”

Hedy Fry, Liberal MP, April 8, 2014, House of Commons:

“We are creating a problem here. As we heard from other people, this measure brings up concerns about privacy and sovereignty. Constitutional law experts have been saying that this agreement violates the Charter of Rights and Freedoms, yet no one was consulted.”

“It is interesting that the government goes ahead patting itself on the back but not having discussed it with anyone who should know and therefore making mistakes. I would be generous and kind and say it is with unintended consequences, although I wonder if the government even understands consequences.”

Scott Brison, Liberal Finance and Revenue Critic, May 14, 2014

Standing Committee on Finance

“Look, this IGA gets Canadian banks off the hook from reporting. It does not get Canadian citizens who happen to be considered American persons off the hook. That’s very important...”

“What about the million Canadians who are affected? That’s the concern. None of us disagree with the idea of negotiating an IGA, but the reality is that you can negotiate a better IGA, given our relationship with the Americans.”

Ralph Goodale, Liberal MP, Former Liberal Finance Minister, Ralph Goodale website, October 11, 2011.

“After all, Canada is not some illicit tax haven...The Americans are going way too far when they start harassing Canadians...”

“The government says it has protested to Washington. But more needs to be done.”

Our government must stand shoulder-to-shoulder with innocent citizens and taxpayers to inform and assist them in fending off abusive American tax proceedings.”

Justin Trudeau, Leader, Liberal Party of Canada, Letter to Lynne Swanson, ADCS, June 25, 2015

“The safeguarding of personal privacy has become an increasingly important issue to all Canadians...The implications of having the CRA report to a foreign government about Canadian citizens are still troublesome. The Liberal Party of Canada believes that the Conservative government’s efforts to safeguard the personal privacy of Canadians have been inadequate.”

“The Government of Canada has a responsibility to stand up for its citizens when foreign governments are encroaching on their rights. We believe that the deal reached between Canada and the U.S. is insufficient to protect Canadians.”