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September 30, 2011

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500
United States of America

Dear President Obama,

I am writing to urge you to act in support of American Citizens and their families living in Canada who are being affected by the US Internal Revenue Service's crackdown on so-called "offshore" account holders through the *Foreign Account Compliance Act* (FATCA) and other related legislation.

I continue to be contacted by many constituents in my riding of Victoria, British Columbia on a daily basis who are concerned that they will be severely impacted by this action, given the harsh penalties involved, even if they had taken advantage of the so-called "amnesty" program that expired on September 9th, 2011.

I hope you can appreciate that these people are living ordinary lives as law abiding, taxpaying citizens and residents of Canada. They are not wealthy and are not stashing their money in low-tax offshore havens. They would not knowingly or willingly evade their taxes or their responsibilities.

Those who have spoken to me are not the tax cheats the IRS claims to be targeting; they are law abiding citizens who pay their Canadian taxes regularly but, understandably, had no prior knowledge of the US filing requirement.

Many have lived in Canada much or even all of their lives. Many are seniors living on a fixed income who cannot even afford the fees of the financial advice they need in order to comply. Many are the children of US passport holders who have lived their entire lives in Canada, some of whom never even considered the possibility they might be US citizens, let alone required to file tax documents in the United States.

Recently, they were given a September ultimatum to file with the IRS. They were put in the impossible position of facing onerous penalties even if they complied, and even if they would not have owed any US taxes, simply if they had previously undeclared assets in Canada.

I am also concerned about the privacy of those affected because the United States has passed legislation that could require Canadian banks and other

financial institutions to disclose personal information of account holders to the IRS. This places these institutions in an awkward position, as Canadian law generally prohibits the unauthorized sharing of sensitive personal information without a person's consent. I am sure you would be equally concerned if a foreign state was seeking to collect the private information of US residents.

Given that this onerous and unfair action continues to affect tens of thousands of US Citizens and their families, I urge you to work with the Canadian government to develop a fair deal so that they are not required to file in the US or pay any penalties, and to limit the effect of banking requirements to US financial institutions. If filing with the IRS is required in limited and reasonable circumstances, there should be a full amnesty with no penalty to those who had no idea they were under an obligation to file.

The current penalties, where a substantial of a person's assets can be seized simply for not filing, go far beyond the severity of the transgression, particularly for people who did not file but would not otherwise have owed any taxes. I would appeal to your sense of justice and compassion and urge you to reconsider this heavy-handedness tax policy.

Thank you for your attention,

Sincerely,

Victoria

cc:

Denise Savoie, Member of Parliament

Peggy Nash, MP and Finance Critic, New Democratic Party of Canada Alex Atamanenko, MP, BC Southern Interior