



Written by [Alex Newman](#) on January 21, 2015

## Obama IRS Shares Private Financial Data With Foreign Tyrants

To comply with unconstitutional pseudo-treaties negotiated by the Obama administration [without the consent of Congress or any semblance of constitutional authority](#), the IRS announced that it will be sharing private financial information on U.S. bank account holders with foreign powers. No warrant is needed for foreign governments or tyrants to peruse the sensitive information at will — including brutal communist regimes and possibly even criminals or hackers. The embattled federal tax agency announced the controversial move in a [press release](#) last week. But the latest data-sharing scheme, while troublesome to critics and lawmakers, is merely [one important part](#) of a [much broader global taxation regime now being quietly imposed on humanity](#) by the White House and [its radical allies](#) around the world. [Obama's lawless "Foreign Account Tax Compliance Act" \(FATCA\)](#) is the model for it all.



Under the new data-exchange scheme unveiled by the Internal Revenue Service last week, any foreign government that has [signed an unconstitutional "Intergovernmental Agreement" \(IGA\) with the Obama administration](#) has automatic access to the private financial data of its residents with U.S. accounts or assets, including Americans. No warrant or even suspicion of wrongdoing is required, crushing the Fourth Amendment to the U.S. Constitution while upending centuries of Western legal protections for the right to privacy. Of course, the FATCA statute underpinning the whole privacy-shredding scheme [provided no authority to the IRS to even collect that information from banks — much less to share it with foreign governments and potentially dangerous dictators](#).

As with numerous other Obama schemes, however, the White House has taken the liberty to lawlessly rewrite provisions and usurp draconian new powers — in this case part of a supposed quest to extract an extra \$1 billion per year from U.S. taxpayers. Under the emerging FATCA regime and Obama's "executive actions" that have modified and expanded it, foreign banks and governments must report all of the private financial data on U.S. citizens and permanent residents to the IRS. If financial institutions or foreign nations refuse to become unpaid agents in Obama's war on privacy, they can essentially be shut out of U.S. markets entirely. But to get foreign governments to help enforce FATCA, there needed to be a carrot — something Congress did not include in the actual statute, but that Obama and the IRS knew would be needed.



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So, in exchange for help from foreign rulers to wage war on the privacy rights of Americans protected under the Fourth Amendment, the White House, which helped ram FATCA through the Democrat-controlled Congress under an unrelated “jobs bill,” decreed various carrots into existence without permission. That is where the new IRS system comes in. Dubbed the “International Data Exchange Service” (IDES) by Obama’s scandal-plagued tax agency, the IRS system will be used by foreign governments and financial institutions to “securely send their information reports on financial accounts held by U.S. persons to the IRS under ... FATCA or pursuant to the terms of an intergovernmental agreement (IGA).” But it’s more than that.

That same system that conscripts virtually every foreign government and major financial institution into Obama’s war on privacy and the Fourth Amendment rights of Americans will also be used to share data from American accounts with foreign tax agencies. “Where a jurisdiction has a reciprocal IGA and the jurisdiction has the necessary safeguards and infrastructure in place, the IRS will also use IDES to provide similar information to the host country tax authority on accounts in U.S. financial institutions held by the jurisdiction’s residents,” the IRS explained in its press release. In other words, if a foreign government signed an unconstitutional pseudo-treaty with the Obama administration, they get help from the U.S. federal government to shred privacy rights as well — including the privacy rights of Americans living or born overseas, as well as their own citizens or subjects.

On the [IRS list of foreign governments](#) that will soon be able to access (and potentially abuse) the private financial information of their subjects and even some Americans are many of the most murderous and corrupt regimes on Earth. From brutal Islamist autocracies that behead converts to Christianity to ruthless communist regimes that treat their peoples like slaves, it seems every government is getting on board the bandwagon. The regimes ruling Communist China, Saudi Arabia, Algeria, Belarus, Haiti, Indonesia, Turkey, Turkmenistan, Ukraine, Uzbekistan, Iraq, Nicaragua, Brazil, South Africa, Qatar, Moldova, and many more — well over 100 in total so far — will soon have full access to the data under the pseudo-treaties with Obama. Eventually, others will as well.

The Communist Party dictatorship controlling mainland China, which has murdered more people than any entity in human history, cheered Obama’s scheming and is now plotting to extract wealth from its victims no matter where in the world they live, too — using the same global tax system that the White House and its allies are building. That is bad news for dissidents, refugees, and others, along with their families and friends. Other governments and tyrants are expected to follow suit in demanding tribute from around the world. And with the emerging Obama-inspired planetary taxation regime, putting it all into practice and enforcing it will become relatively easy.

Of course, the IRS tried to put a happy face on its new data-sharing, privacy-shredding scheme, which critics have blasted for attacking the Fourth Amendment and crushing every last vestige of financial privacy worldwide. “The opening of the International Data Exchange Service is a milestone in the implementation of FATCA,” boasted IRS Commissioner John Koskinen, whose tenure has come under fire as non-stop and growing scandals continue to plague the agency. “With it, comes the start of a secure system of automated, standardized information exchanges among government tax authorities. This will enhance our ability to detect hidden accounts and help ensure fairness in the tax system.”

As *The New American* has [documented extensively](#), trying to force foreign banks to serve as unpaid extensions of the IRS has, of course, [made Americans into pariahs around the world](#). The FATCA scheme has made life miserable — if not impossible — for millions of Americans abroad; even major foreign banks have decided to sever all business relationships with U.S. citizens rather than comply



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with unimaginably complex regulations and reporting requirements being lawlessly erected by the Obama IRS. Middle- and lower-class Americans overseas who cannot hire armies of attorneys and accountants have been especially hard hit, with more and more thousands tragically opting to surrender their U.S. citizenship every year to escape the crushing burden.

However, it gets even worse, and Americans will not be the only ones whose rights are shredded. As *The New American* has documented extensively, [globalists and socialists are quickly working](#) to turn FATCA into the basis for a [truly global taxation regime](#) long sought by the establishment and tyrannical forces such as Socialist International. Already, the cartel of governments behind the G20 and the Organization for Economic Cooperation and Development (OECD) are working to impose their global version of FATCA — dubbed GATCA by critics — on all of humanity. Brutal dictators and Big Government politicians around the world have been dreaming about just such a scheme for decades. And now, thanks to Obama and FATCA, it may become a reality, at least if the opposition fails in the ongoing effort to stop it.

Still, there is still hope that FATCA will ultimately be crushed and financial privacy restored before its tentacles become too strong. As *The New American* reported in a series of articles last year, virtually the entire global tax regime sought by the Obama administration and its allies is built on a foundation of lawlessness and unconstitutional decrees. That will make it much easier to bring down. [A lawsuit challenging the constitutionality of numerous FATCA-related schemes and decrees](#) may result in federal courts declaring it unconstitutional. Separately, the GOP and many Republican lawmakers, now in the majority, [have officially expressed their opposition to FATCA](#) and say they are planning various legislative assaults on it. Whether the global tax cartel or liberty and the Constitution will win in the end, though, depends largely on the American people.

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