

# Would You Believe Me If I Told You...

Bob Bauman (June 6, 2011)

Looking back only a few years, would you have believed me if I told you that:

- \* Switzerland would surrender its traditional bank secrecy;
- \* one after another, traditional “tax havens” would follow the Swiss and capitulate to the demands of high tax welfare states;
- \* the U.S. Internal Revenue Service would succeed in extending its tentacles of power over almost every offshore bank and financial institution;
- \* offshore banks would shun Americans as clients because of their U.S. nationality;
- \* Americans would be presumed guilty of tax evasion by the IRS simply by engaging in foreign banking and investments?

You would have said: “Bob, don’t you think you’re being a bit extreme? That could never happen.”

And who would ever have thought that Americans would elect as president an unknown junior senator from Illinois, flying under a vague banner of “hope” and “change” who would turn out to be both a dedicated socialist and an attractive and clever demagogue.

## **Santayana Said It**

I wanted to set this scene employing the realities of the recent past because, as Santayana sagely told us, “What is past is prologue.”

So get ready for coming atrocities that are high on yours and my list of unthinkable possibilities – but that may come true if the determined Left-wing extremists have their way.

## **Not Conspiracy; a Planned Attack**

I’m not a big believer in conspiracies, but one must admit that national governments and those in power, at times do combine to accomplish their common goals, good and bad – and one those primary goals is, and always has been, the ruthless collection of taxes to finance their big spending.

For example, since the Monterrey conference in 2002, the United Nations (UN) has proposed that it be named as the world’s tax collector for new international taxes. Other

self-serving pro-tax groups with grandiose tax ambitions have joined as a political chorus attacking tax havens and tax competition. The tax hungry crowd includes the European Union (EU) and the Organization for Economic Cooperation and Development (OECD), the official propaganda arm of the major debtor and deficit welfare states, the U.S., U.K., Germany and France.

After his 2008 election, President **Barack Obama** and his radical, left-wing Democrat allies in the U.S. Congress happily joined this orchestrated smear of tax havens — and of Americans who dare to do business offshore. Led by the ultra liberal Senator **Carl Levin** (D-MI), radical Democrats managed to sneak through various forms of pro-tax, anti-tax haven legislation the (HIRE Act, FATCA), plans originally proposed by Levin and Obama, an active sponsor of such punitive legislation when he served briefly in the U.S. Senate. Only Republican control of the U.S. House after the 2010 election has slowed them down.

What does this global tax cabal want?

Well, the radical left is never satisfied; every time they attain one of their goals, they move the goal posts; end bank secrecy; automatic exchange of tax information among nations; end bearer shares; end all financial privacy by making public the owners and beneficiaries of every corporation, trust and private foundation in the world. And while they are at it, they demand an international tax on every air plane ticket and on *every* (yes, I said every) financial transaction in the world.

At the top of the more tax list is an end to “tax avoidance,” an end *legal* ways of reducing you taxes, as compared to *illegal* “tax evasion.”

## **Cf&P Leads the Battle**

One of the most effective leaders of the opposition to such political madness has been an American group with which the Sovereign Society has been pleased to be allied, the [Center for Freedom and Prosperity Foundation](#). (Send them [contributions](#) to help continue the good fight).

Last week the Cf&P was there in Bermuda at the OECD **Global Tax Forum** and they report an amazing development.

Now the OECD is demanding that governments have the power to regulate and restrain *tax avoidance* and other forms of *legal* tax planning. “The Multilateral Convention on Mutual Administrative Assistance in Tax Matters,” which is now the OECD’s preferred vehicle for opposing healthy tax competition among countries, openly supports “combat tax avoidance” as one of their main goals.

The OECD asserting the power to target legal tax avoidance may be shocking, but this radical step is consistent with the ultra-leftist OECD philosophy on tax matters. This Paris-based bureaucracy’s tax work is guided by an ideology known as Capital Export

Neutrality (CEN), which holds that taxpayers should never have the ability to lower their tax burdens – only the government will decide. That warped ideology treats both legal tax avoidance and illegal tax evasion as part of the same evil.

Our good friend, **Dan Mitchell**, a Senior Fellow at the Cato Institute and part of the CF&P delegation in Bermuda, tells us: “The OECD represents the interests of Europe’s high-tax welfare states and this Global Forum is nothing but a mechanism to seek ways of propping up those uncompetitive nations with more tax revenue. This assault on legal tax planning is reprehensible, but predictable.”

## **Better Act Now**

Admittedly what I have told you sounds as if the battle for offshore financial freedom has been all but lost. That’s hardly the case.

But given this very real latest threat, it would be prudent for you to consider your own situation – to figure out how best your assets, investments and finances can be reordered offshore (legally, of course) for maximum profit and protection – all fundamental goals the Sovereign Society has become expert in helping its members to achieve.

You can start your self-protection plan by today by becoming a member of the [Sovereign Society Freedom Alliance](#), which I have the honor to chair.

While you still are able, there are many legal ways to enjoy privacy, banking and save taxes offshore. I can tell you [Where To Stash Your Cash](#). If you’re interested in living offshore, [The Passport Book](#) is just what you need.

A handwritten signature in black ink that reads "Bob Bauman". The signature is written in a cursive style and is positioned above a thin horizontal line.