



Written by [Alex Newman](#) on May 18, 2012

Democrats Mocked Over Bill to Tax Billionaire Who Gave Up U.S. Citizenship

After billionaire Facebook co-founder Eduardo Saverin (left, in photo montage) [drew global attention to the growing number of Americans giving up their U.S. citizenship](#) to preserve their wealth and escape burdensome IRS regulations, two Democrat Senators outraged by the accelerating trend introduced the “Ex-PATRIOT” Act to get revenge — and, of course, to confiscate more wealth for the government to squander.



Critics of the legislation, dubbed the “Expatriation Prevention by Abolishing Tax-Related Incentives for Offshore Tenancy” Act, mocked the lawmakers and even the idea as “petty,” saying it would likely be unconstitutional, too. However, other analysts warned that U.S. policy makers were embarrassing the nation as well as traveling a dangerous path toward totalitarianism and even “banana-republic” status. And it should be halted immediately before the situation spirals completely out of control, critics said.

“What comes after Banana Republic? Because America is it,” [wrote](#) a popular analyst with the financial site ZeroHedge. “One wonders just how much taxpayer money was spent to pay naming consultants to come up with this witty acronym for a law that can only be classified as utter idiocy. Here is our suggestion for the follow up law: The ‘GULAG’ Act: Get Ur Laughable A\$\$es Gone.”

Senators Charles Schumer (D-N.Y., center in photo montage) and Bob Casey (D-Penn., right in photo montage) unveiled the controversial legislation at a [press conference](#) on Thursday. If passed, it would impose massive new penalties going back 10 years on anyone who has renounced or is seeking to renounce their U.S. citizenship. Among the punitive measures would be a new 30-percent capital gains tax — double the usual rate — for the rest of a person’s life.

On top of that, the legislation would allow the IRS Commissioner to determine whether somebody gave up their citizenship for a “substantial” tax purpose, going back a decade from the date of enactment. If the senior tax bureaucrat makes that determination — and it would be presumed that rich Americans left to avoid taxes unless the ex-citizens could provide solid evidence to the contrary — targeted individuals would be barred from ever entering the “Homeland” again.

“The nationalists of left and right despise the idea of someone leaving the jurisdiction they themselves belong to in favor of another one,” [observed](#) best-selling author and liberty-minded pundit Tom Woods, a long-time critic of the out-of-control federal government’s perpetually expanding power grabs. “This bit of childishness is a case in point.”

Americans who sever their ties to the “Homeland” are already required to pay a hefty so-called “exit tax” for what the government considers to be the privilege of renouncing one’s citizenship. But for an entity that is more than \$15 trillion in debt to the Communist regime ruling China and the big banks —



Written by [Alex Newman](#) on May 18, 2012

not including tens of trillions' worth of unfunded liabilities — that 15-percent tax on all assets is apparently not enough.

“Saverin has turned his back from the country that welcomed him, kept him safe, educated him and helped him become a billionaire,” Sen. Chuck Schumer whined at the press conference announcing his legislation, calling the billionaire’s rise to riches an American “success story” that had gone “horribly” wrong. “We aren’t going to let him get away with it.”

Critics of the legislation dismissed the notion that Saverin should be “grateful” to the U.S. government, comparing the situation to a prison guard that beats captives less often than more brutal captors. “Gratitude is an appropriate response to receiving a favor or a privilege,” [wrote](#) Roderick Long, a philosophy Professor at Auburn University and the president of the Molinari Institute. “Freedom is a right, not a privilege; demanding that people be ‘grateful’ for not having their freedom violated so much is morally obscene.”

After lambasting and bullying Saverin for failing to surrender even more of his money to Uncle Sam, Schumer claimed that the legislation was not aimed just at the self-made billionaire. “We’re not targeting one person, we’re targeting all people who have done this over the past 10 years,” he said, dismissing criticism of the bill’s anti-constitutional nature.

Last year, almost 2,000 people surrendered their citizenship — mostly to escape the U.S. taxation regime, which is almost unique in the world in that it seeks to tax and monitor Americans no matter where they reside or earn money. Analysts expect the trend to accelerate as the U.S. government continues to expand well beyond its constitutional limits while becoming increasingly hostile to liberty and prosperity.

Schumer, however, hopes to stop that process in its tracks before it becomes a stampede for the exits — using Saverin’s decision as an excuse. “Senator Casey and I have a status update for him — pay your taxes, or don’t set foot in the United States ever again,” the big-government-obsessed Senator said in what appeared to be a lame attempt at threatening humor using Facebook jargon. “Mr. Saverin’s social network is about to get a lot smaller.” Schumer also said it was time to “de-friend” the billionaire.

While Senator Casey largely stayed away from childish social-networking jokes, he claimed that Saverin’s decision to permanently remove himself and his wealth from Congress’s jurisdiction cried out for “basic justice.” It was not immediately clear what was meant, as Saverin has so far not been accused of committing any crime.

“Mr. Saverin has benefited greatly from being a citizen of the United States, but he has chosen to cast it aside and leave U.S. taxpayers with the bill,” Casey complained, presumably referring to the bills for the dizzying array of unconstitutional wars, bloated anti-constitutional programs, and interest on the obscene debts run up by the two Senators and their colleagues. “Renouncing citizenship to simply avoid paying your fair share is an insult to middle-class Americans, and we will not accept it.”

Saverin’s spokesman said last week that the decision to cut off Uncle Sam was based on practical considerations. In a statement to CNN in the wake of the new legislation, the Brazilian-born billionaire — who now resides in the far more economically free city-state of Singapore — [said](#) it was “unfortunate” that his decision had sparked a furor “based not on the facts, but entirely on speculation and misinformation.”

“I am obligated to and will pay hundreds of millions of dollars in taxes to the United States government,” Saverin noted. “I have paid and will continue to pay any taxes due on everything I earned



Written by [Alex Newman](#) on May 18, 2012

while a U.S. citizen.”

Of course, even if Saverin did ditch Uncle Sam and the “Homeland” to avoid having more of his wealth confiscated by Washington, D.C., it would hardly be an insult to the American people, as Casey suggested. Instead, the decision would simply represent a smart financial move to save tens or hundreds of millions — as well as a glaring alarm warning that Congress must urgently address the underlying factors that have motivated so many thousands to do the same.

“You would think with all the economic chaos swirling about that those who make the laws and levy taxes would be somewhat apologetic,” opined analysts at the liberty-minded Daily Bell in a staff report about the bill. “As the U.S. generally becomes more objectionable more and more US citizens are doing this... This is how even empires die.”

But rather than attacking the root cause of the problem — oppressive taxes and regulations imposed on all U.S. citizens regardless of where they live — the two lawmakers seek to add more oppression to the mix while making it more difficult to escape. And according to the Daily Bell report, it will not end well.

The U.S. government’s increasingly “outrageous” dictates are leading the nation — just like the former Roman Empire — into a very precarious position, the analysts noted. “In Rome, ‘citizens’ finally decided not to fight for their criminal state,” they explained. “The same will doubtless happen to the U.S.”

Liberty-minded leaders such as GOP presidential hopeful Rep. Ron Paul (R-Texas) have long been warning that if the nation did not reverse course soon, the U.S. government would eventually seek to stop Americans from fleeing with their wealth. At one time, he was mocked by the establishment for the mere suggestion. But considering [recent events](#), and now, the “Ex-PATRIOT” Act, his warnings appear increasingly prescient.

It was not immediately clear how much support the bill might muster on Capitol Hill, though at least one news report said the legislation may not even make it to a committee hearing. The two lawmakers also did not clarify how or why they thought the measure could be reconciled with the Constitution’s explicit clause banning “ex-post facto” laws.

Related articles:

[Facebook Co-Founder Saved Big Money Giving Up U.S. Citizenship](#)

[Singapore Tax Rates Encourage Prosperity](#)

[Rich Americans Are Fleeing the Country](#)

[Our Marxist Tax Code](#)

[IRS Makes Americans International Pariahs](#)

[Study: U.S. Economic Freedom Drops for Fourth Year](#)

[U.S. Terrorizes Switzerland Over Taxes, Banking](#)

[U.S.-Funded OECD “Cartel” Seeking Higher Global Taxes](#)

[Taxes: Are the Rich Paying Their Fair Share?](#)

[IRS Would Revoke Passports for Alleged Tax Debt Under Bill](#)



Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.

[Subscribe](#)