



September 20, 2021

Dear Friends,

The proposal in the Biden administration's American Families Plan requiring community banks and other U.S. financial institutions to report detailed information to the IRS on every account with transactions in excess of \$600 was not included in the earliest stages of the bill's consideration. However, the administration continues to advocate this unprecedented invasion of Americans' financial privacy. The proposed mandatory IRS reporting regime places your right to financial privacy at risk, will push more unbanked Americans away from a banking relationship, will raise the cost of tax preparation for individuals and businesses, and places the security of your sensitive financial information at risk of exposure. Please join our efforts to ensure that the proposed mandatory IRS reporting on the financial activity of private citizens and businesses is not included in any future versions of the bill.

**The Mandatory IRS Reporting Regime Places Americans' Right to Financial Privacy at Risk:** Private, detailed information will be collected and reported to the IRS on all accounts, and there is no clear explanation of how this collected data will be used. Despite repeated claims by the administration that the proposed collection of private financial information is aimed solely at exposing tax evasion by high-net-worth individuals, this reporting of inflows and outflows of \$600 or more will actually affect most every deposit or loan account in the U.S. This means your financial transactions will be reportable whether they involve a contribution to your church, proceeds from a community fundraiser, a draw on a small business line of credit, the purchase of a new set of tires, use of student loan funds, or a gift to your grandchildren. If the proposal passes, you will not have an opportunity to opt out of the reporting requirements, and your bank will not have no option but to comply.

**The Mandatory IRS Reporting Regime Will Thwart Efforts to Engage Unbanked Consumers:** Community banks have worked alongside financial institutions across the country to encourage unbanked consumers to join the U.S. banking system. This proposal requires financial institutions to police and report on all business and individual accounts, damaging customer relationships for banks of all sizes across America. The proposed deputization of banks by the IRS will erode trust in the American banking system, and efforts to extend banking services to unbanked consumers will be thwarted.

**The Mandatory IRS Reporting Regime Will Increase the Cost of Tax Preparation for Individuals and Businesses:** The extraordinary volume of information reported to the IRS by financial institutions would complicate tax preparation and drive costs higher for individuals and businesses across the country. However, the data to be collected by the IRS is of questionable relevance to the agency's alleged efforts to target high-net-worth individuals engaging in complex tax avoidance schemes.

**The Mandatory IRS Reporting Regime Places the Security of Sensitive Financial Information at Risk:** OneSouth Bank is very concerned about the proposed requirement that we share detailed, private customer financial information with the IRS when the agency is a constant target of cyber criminals and has suffered significant data breaches. The amount of new information submitted would be massive, and it would overload the IRS with more personal information about the financial activity of American citizens than it can safely store or effectively process.

**Please Act Now to Oppose the Proposed Mandatory IRS Reporting Regime:** We invite you to stand with us in opposing unnecessary and intrusive reporting to the government on the financial activity of private citizens and businesses. You may register your opposition by visiting <https://secureamericanopportunity.com/take-action/oppose-new-irs-reporting-requirements-take-action/> and by calling your congressional delegation to let them know that you oppose the Biden administration's tax information reporting proposal. Contact information for your U.S. Representatives and Senators is available at <https://www.congress.gov/members>.

If you have questions or would like to discuss this matter, please reach out to me at [kimdaviswilson@onesouthbank.com](mailto:kimdaviswilson@onesouthbank.com). I look forward to hearing from you as we work together to spread the word about this misguided IRS reporting proposal in our community and on Capitol Hill!

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Davis Wilson".

Kim Davis Wilson  
CEO and President