



COMMITTEE ON  
**WAYS & MEANS**  
REPUBLICANS

# Opposing Biden's Bank Surveillance Scheme

*Democrats Downplay the Scope of Their Proposal*

**Myth: President Biden's proposal only requires banks to report two numbers.**

**Fact:** The Biden proposal calls for data on transactions—more than two numbers: “Gross inflows and outflows with a breakdown for physical cash, transactions with a foreign account, and transfers to and from another account with the same owner.”

**Myth: The Biden surveillance scheme only targets wealthy tax cheats.**

**Fact:** The Biden Administration first proposed reporting on every American bank account with \$600 of aggregate inflows or outflows in a year. This covers nearly every single American bank account. Even the lowest income Americans qualify.

**Myth: Democrats' proposal is now “significantly scaled back” with a higher threshold of \$10,000, with carve-outs for wages and Social Security.**

**Fact:** This approach still captures the majority of Americans, who would only need \$10,000 in outflows to be subject to this surveillance. This is targeting people who do not get paid by payroll—tradespeople, independent contractors, farmers and other blue collar workers. Democrats are vague about how they'll “exempt” rent or mortgages. Industry experts say it will be difficult at best.

**Myth: Even if the IRS receives reporting on middle-income Americans, the agency will only use the data to focus on the ultra-wealthy.**

**Fact:** There is not nearly enough revenue potential in the top 1 percent of income earners to pay for Democrats' vast socialist spending. That is why they set the threshold at \$10,000—focusing on the middle class, small businesses, and farmers.

**Myth: The reporting plan will be easy for banks to comply with.**

**Fact:** Turning local banks into IRS reporting units is incredibly costly and burdensome. Worse, local banks serve their communities and work hard to build up trust. Families and businesses are likely to grow distrustful their local banks under this scheme.

**Myth: The IRS will keep this information secure while going after the wealthy.**

**Fact:** The IRS has a long history of failing to keep information secure and of targeting Americans for their political views. Just this year vast troves of confidential tax information were leaked to ProPublica, and published to support Democrats' pursuit of higher taxes and spending. Five months later the IRS still does not know the source of this criminal leak – or whether it affected only the wealthiest Americans.

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