



HR0044HAM001

LRB096 06336 JDS 25794 a

1 AMENDMENT TO HOUSE RESOLUTION 44

2 AMENDMENT NO. _____. Amend House Resolution 44 by replacing
3 everything after the title of the resolution with the
4 following:

5 "WHEREAS, The United States Tax Code requires income earned
6 in the United States by American firms to be taxed at the 35%
7 corporate income tax rate, but allows foreign subsidiaries of
8 these same firms to defer payment of corporate income tax on
9 income earned in a foreign jurisdiction until that income is
10 returned to the United States; and

11 WHEREAS, Neither the United States Tax Code nor Internal
12 Revenue Service regulations require American firms to
13 repatriate foreign income for the purpose of taxation; and

14 WHEREAS, This loophole has allowed American firms to
15 collectively park more than \$500 billion in "undistributed

1 earnings" offshore; and

2 WHEREAS, A recent study concludes that these foreign income
3 deferrals caused the federal government to lose \$17.4 billion
4 in tax revenue in the year 2004 alone and simultaneously caused
5 more economic growth in other countries and less here at home;
6 and

7 WHEREAS, This loophole harms the State of Illinois by
8 decreasing its tax base and encouraging corporate investment
9 outside the United States; and

10 WHEREAS, During the 110th U.S. Congress, Senator Barack
11 Obama (now, President Obama), Senator Hillary Clinton (now,
12 Secretary of State Clinton), and Senator Richard Durbin took
13 steps to alleviate this problem by sponsoring a bill in the
14 U.S. Senate titled the Patriot Employers Act; and

15 WHEREAS, The Patriot Employers Act would have made a 1% tax
16 credit available to firms that retain their headquarters in the
17 United States and maintain or increase the number of their
18 full-time workers in the United States relative to the number
19 of their full-time workers outside of the United States; and

20 WHEREAS, The 110th Congress came to a close without passage
21 of that bill, and a comparable bill has yet to be introduced in

1 the 111th Congress; therefore, be it

2 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
3 NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we
4 urge the members of Congress to introduce and give full
5 consideration to a bill comparable to the Patriot Employers Act
6 in order to ensure that American firms contribute their fair
7 share to our society's social welfare; and be it further

8 RESOLVED, That suitable copies of this resolution be
9 presented to the Speaker and Minority Leader of the U.S. House
10 of Representatives, the Majority and Minority Leaders of the
11 U.S. Senate, and each member of the Illinois congressional
12 delegation.".