

By: Representative Haak
By: Senator Flippo

HOUSE CONCURRENT RESOLUTION

TO DISCOURAGE THE RECENT PROPOSAL REQUIRING FINANCIAL INSTITUTIONS TO SIGNIFICANTLY INCREASE THE AMOUNT OF AMERICAN TAXPAYER'S DATA REPORTED TO THE INTERNAL REVENUE SERVICE; AND FOR OTHER PURPOSES.

Subtitle

TO DISCOURAGE THE RECENT PROPOSAL REQUIRING FINANCIAL INSTITUTIONS TO SIGNIFICANTLY INCREASE THE AMOUNT OF AMERICAN TAXPAYER'S DATA REPORTED TO THE INTERNAL REVENUE SERVICE.

WHEREAS, the General Assembly is alarmed about a recent proposal requiring financial institutions to significantly increase the amount of American taxpayers' data reported to the Internal Revenue Service; and

WHEREAS, the General Assembly does not believe this is necessary and may, in fact, have unintended consequences; and

WHEREAS, specifically, this proposal would require financial institutions and other financial services providers to report certain transaction-level data as well as information about the outflows and inflows on accounts over six hundred dollars (\$600) to the Internal Revenue Service every year; and

WHEREAS, this proposal would not only impose significant compliance



costs on our banks that have served as the backbone of the economy these past eighteen (18) months, but also infringe on the privacy of millions of Americans; and

WHEREAS, Americans feel strongly about our right to privacy; and

WHEREAS, the government and the public should not know every private aspect of Americans' income and assets; and

WHEREAS, requiring reporting for all customer accounts, regardless of the likelihood of unreported income, is an abuse of American's rights and privacy; and

WHEREAS, this proposal allows the Internal Revenue Service to monitor the financial dealings of every American consumer and business with a depository account without cause; and

WHEREAS, the Internal Revenue Service should not be allowed to use the budget reconciliation process to unnecessarily intrude into consumers' financial lives; and

WHEREAS, additionally, this proposal creates new barriers for the unbanked or underbanked; and

WHEREAS, privacy is cited as one of the primary reasons individuals choose not to open bank accounts;

WHEREAS, many Americans opt out of the financial system because they distrust the government; and

WHEREAS, for those that have recently started an account, this new reporting could actually push them back out of the system, and instead turn to nonbank lenders with exorbitant fees; and

WHEREAS, instead of focusing on raising revenue at the expense of our taxpayers and financial institutions, the General Assembly ask that the

federal government focus on protecting Americans and the current financial system,

NOW THEREFORE,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ARKANSAS, AND BY THE SENATE, A MAJORITY OF ALL MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:

THAT the General Assembly discourage the recent proposal requiring financial institutions to significantly increase the amount of American taxpayer's data reported to the Internal Revenue Service.

BE IT FURTHER RESOLVED THAT upon adoption of this resolution, a copy be provided to Nancy Pelosi, Speaker of the House, Janet Yellen, Secretary, United States Department of Treasury, Charles P. Rettig, Commissioner, Internal Revenue Service, and Jim McGovern, Chairman, House Committee on Rules, United States House of Representatives by the Chief Clerk of the House of Representatives.