

## House Resolution 600

By: Representatives Kelley of the 16<sup>th</sup>, Ramsey of the 72<sup>nd</sup>, Martin of the 49<sup>th</sup>, Williamson of the 115<sup>th</sup>, Clark of the 98<sup>th</sup>, and others

## A RESOLUTION

1 Encouraging the United States Congress to enact much needed tax reforms; and for other  
2 purposes.

3 WHEREAS, the United States has the highest corporate income tax rate in the Organization  
4 for Economic Cooperation and Development, higher than Belgium, France, and Sweden; and

5 WHEREAS, compliance with tax regulations can be 67 percent higher for small businesses  
6 than large businesses in the United States; and

7 WHEREAS, the United States has more than 30 million businesses paying taxes under the  
8 individual tax system, compared to 1.7 million businesses paying taxes under the traditional  
9 corporate tax code; and

10 WHEREAS, fifty-seven S&P 500 corporations have effective tax rates of 0 percent or lower;  
11 and

12 WHEREAS, according to the United States Internal Revenue Service, in 2010, there were  
13 19,000 individual tax filers with at least \$200,000.00 of adjusted gross income who legally  
14 avoided any federal income tax liability; and

15 WHEREAS, the Joint Committee on Taxation estimates that the combined effect of generic  
16 base-broadening tax reforms to both corporate and individual codes could increase economic  
17 output by anywhere from 1.2 percent to 2 percent in the second five-year span after  
18 enactment; and

19 WHEREAS, tax reform that is broad enough to benefit the hard-working small businesses  
20 that create jobs throughout this state and the nation is needed, and in order to accomplish this,  
21 the business tax rate should be set at a competitive 25 percent and unnecessary tax  
22 expenditures that do not drive small business growth should be repealed; and

23 WHEREAS, a territorial tax system that does not tax companies' active foreign earnings  
24 above and beyond the foreign taxes they currently pay and removes the penalty companies  
25 currently pay when they return foreign earnings to the United States should be instituted.

26 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that  
27 the members of this body encourage the United States Congress to enact needed tax reform  
28 in accordance with the following: it should be simpler, flatter, and fairer and should create  
29 an efficient, uncomplicated tax system that does not require small businesses to hire a team  
30 of lawyers and accountants in order to thrive; it should not favor any particular sector; it  
31 should promote small business growth and competitiveness by not raising overall taxes on  
32 the small businesses that are the backbone of the American economy; it should be permanent  
33 in order to create a consistent, competitive investment environment in the United States; it  
34 should not allow cross-subsidies that would leave small businesses and taxpayers to bear the  
35 financial burden of long-overdue tax reform while leaving corporate businesses off the hook  
36 once again; there should be no stand-alone business tax increases that will result in higher  
37 taxes for small businesses; and it should require a realistic budget that includes calculation  
38 of the impact of business tax reform on revenues.

39 BE IT FURTHER RESOLVED that the Clerk of the House of Representatives is authorized  
40 and directed to make appropriate copies of this resolution available for distribution to each  
41 member of Georgia's delegation to the United States Congress.