

HOUSE RESOLUTION NO. 174

Reps. Farrington, Allor, Calley, Alexander, Beeler, Bellino, Berman, Beson, Bezotte, Bollin, Borton, Brann, Carra, Damoose, Eisen, Filler, Frederick, Griffin, Hall, Hauck, Hoitenga, Hornberger, Huizenga, Kahle, Meerman, Mueller, Rendon, Roth, Slagh, VanSingel, Wozniak and Yaroch offered the following resolution:

1 A resolution to urge the United States Congress to oppose
2 unnecessary and harmful changes to Internal Revenue Service
3 reporting requirements for Michigan's financial institutions.

4 Whereas, The U.S. Department of Treasury has proposed
5 requiring financial institutions to report financial account
6 information for accounts with a gross flow threshold or fair market
7 value of \$600 or more. The proposal calls for financial
8 institutions to report gross inflows and outflows with a breakdown
9 for physical cash, transactions with foreign accounts, and

1 transfers to and from another account with the same owner. It would
2 apply to business and personal accounts, including bank, loan, and
3 investment accounts at those financial institutions subject to the
4 proposed requirement; and

5 Whereas, There are very real concerns over data privacy and
6 security if this proposed Internal Revenue Service reporting
7 requirement, or a similar requirement, is put in place. Keeping
8 member and customer account information private and secure is among
9 the primary goals of all financial institutions in Michigan and
10 this proposal could jeopardize the security of accounts and
11 personal information. As we have seen, numerous government data
12 breaches have occurred in recent years. Moreover, the proposal
13 constitutes an invasion of consumer privacy; and

14 Whereas, Financial institutions throughout our state and
15 country are already subject to many burdensome regulations that
16 increase costs, damage customer relations, and otherwise hurt these
17 businesses. The adoption of this extensive and intrusive financial
18 reporting proposal would deepen that burden for Michigan's
19 community-based and other financial institutions; now, therefore,
20 be it

21 Resolved by the House of Representatives, That we urge the
22 United States Congress to oppose unnecessary and harmful changes to
23 Internal Revenue Service reporting requirements for Michigan's
24 financial institutions; and be it further

25 Resolved, That copies of this resolution be transmitted to the
26 Speaker of the United State House of Representatives, the President
27 of the United State Senate, the members of the Michigan
28 congressional delegation, and the chairs of the United States
29 Senate Committee on Finance and United States House Committee on

1 Ways and Means.