

# HOUSE RESOLUTION NO. 174

Rep. Farrington 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  
10 transfers to and from another account with the same owner. It would  
11 apply to business and personal accounts, including bank, loan, and  
12 investment accounts at those financial institutions subject to the  
13 proposed requirement; and

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

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

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

21           Resolved, That copies of this resolution be transmitted to the  
22 Speaker of the United State House of Representatives, the President  
23 of the United State Senate, the members of the Michigan  
24 congressional delegation, and the chairs of the United States  
25 Senate Committee on Finance and United States House Committee on  
26 Ways and Means.