

SENATE RESOLUTION NO. 85

Senators Daley, Barrett, Bumstead, Victory, Bizon, Outman, Lauwers, McBroom, Runestad, Horn, Theis, Johnson, Stamas, Nesbitt, VanderWall, Shirkey, LaSata, MacDonald, Zorn and Schmidt 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

1 apply to business and personal accounts, including bank, loan, and
2 investment accounts at those financial institutions subject to the
3 proposed requirement; and

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

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

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

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