

Legislative Analysis



DMB REPORT ON GOODS AND SERVICES FROM EXPATRIATED BUSINESSES, ETC.

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House Bill 4100

Sponsor: Rep. Lisa Wojno

Committee: Government Operations

Complete to 3-19-07

A SUMMARY OF HOUSE BILL 4100 AS INTRODUCED 1-23-07

The bill would amend the Management and Budget Act to require the department to report annually to each House of the Legislature, beginning January 1, 2008, the amount of goods and services purchased by all state agencies in the immediately preceding fiscal year from an expatriated business and the amount of goods and services that were manufactured or provided by an individual who is not a citizen, legal alien, or an individual who holds a valid visa of the United States.

The bill would define "expatriated business" to mean a corporation, or its affiliate, that is incorporated in a tax haven county after December 31, 2001, but the United States is the principal market for the public trading of the corporation's stock. "Tax Haven Country" would be defined to mean each of the following: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the principalities of Liechtenstein and Monaco, and the Republic of the Seychelles.

MCL 18.1261

FISCAL IMPACT:

House Bill 4100 will impose minimal costs on the state. There will be costs to the Department of Management and Budget related to staff time necessary to compile the report required.

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