

Senators Bieda, Young, Ananich, Hertel and Gregory offered the following resolution:

**Senate Resolution No. 21.**

A resolution to urge the United States Congress to pass a Stop Corporate Inversions Act of 2015, H.R. 415 and S. 198.

Whereas, A corporate inversion is the practice where a large American corporation purchases a smaller, foreign corporation and then claims to merge with the corporation, despite a majority of most of the top executives remaining within the U.S. The only apparent purpose to this practice is to attempt to pay a lower corporate tax rate; and

Whereas, Corporations continue to benefit from their actual presence within the U.S., whether it is from our education system, our legal system, or our national defense. While nominally headquartered in other countries, these companies continue to leverage and benefit from their U.S. presence worldwide; and

Whereas, Over the past ten years, there has been an increase in the number of companies fleeing the U.S. for foreign markets; and

Whereas, Corporate inversions have an impact on the U.S. economy overall, as well as the federal budget. Corporate inversions have already cost the U.S. an estimated \$34 billion over the past ten years. Stopping corporate inversions would raise an estimated \$17 billion in revenue over the next decade; and

Whereas, The Stop Corporate Inversion Act of 2015 does not prohibit a corporation from merging or relocating for legitimate purposes. Rather, it increases the percentage of shareholders who must be based in the foreign country to 50 percent, up from 20 percent. This would effectively require U.S. companies to merge with foreign companies that are roughly equal or larger in size in order to move their location for tax purposes outside the U.S.; and

Whereas, A Stop Corporate Inversion Act of 2015 would close a loophole that allows companies to avoid as much as other U.S. businesses; now, therefore, be it

Resolved by the Senate, That we urge Congress to pass H.R. 415 and S. 198; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.