

108TH CONGRESS  
1ST SESSION

# H. R. 1206

To prohibit United States voluntary and assessed contributions to the United Nations or the Organization for Economic Cooperation and Development if the United Nations or the Organization for Economic Cooperation and Development imposes any tax or fee on United States persons, continues to develop or promote proposals for such taxes or fees, or attempts to implement or impose a policy that would enable foreign governments to tax income earned inside the borders of the United States.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 11, 2003

Mr. SWEENEY introduced the following bill; which was referred to the  
Committee on International Relations

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## **A BILL**

To prohibit United States voluntary and assessed contributions to the United Nations or the Organization for Economic Cooperation and Development if the United Nations or the Organization for Economic Cooperation and Development imposes any tax or fee on United States persons, continues to develop or promote proposals for such taxes or fees, or attempts to implement or impose a policy that would enable foreign governments to tax income earned inside the borders of the United States.

1       *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Prohibition on United  
5 Nations Taxation Act of 2003”.

6 **SEC. 2. FINDINGS.**

7       The Congress finds that—

8           (1) in 1948, the average United States family  
9 with children paid only 3 percent of its income in  
10 Federal taxes;

11           (2) in 1996, the average United States family  
12 with children paid almost 24 percent of its income  
13 in Federal taxes;

14           (3) United Nations officials have made numer-  
15 ous and repeated proposals to provide financing for  
16 the United Nations outside the scrutiny of Member  
17 States of the United Nations, including borrowing  
18 from international financial institutions, assuming  
19 control of bonds issued by Member States, and im-  
20 posing taxes on an extensive range of transactions,  
21 goods, and services;

22           (4) the 1994 “Human Development Report” of  
23 the United Nations Development Program stated  
24 that “[i]t is appropriate that the proceeds of an  
25 international tax be devoted to international pur-

1 poses and be placed at the disposal of international  
2 institutions.”;

3 (5) on January 14, 1996, United Nations Sec-  
4 retary General Boutros Boutros-Ghali stated that an  
5 international tax would mean that “[he would] not  
6 be under the daily financial will of the Member  
7 States.”;

8 (6) American taxpayers have paid approxi-  
9 mately \$30,000,000,000 to the United Nations since  
10 1945;

11 (7) the United Nations and its organizations  
12 are replete with mismanagement, waste, corruption,  
13 and inefficiency which cost American taxpayers mil-  
14 lions of dollars each year;

15 (8) the power to tax is an attribute of sov-  
16 ereignty;

17 (9) the United Nations does not have the at-  
18 tributes of sovereignty and is not a sovereign power;

19 (10) the United Nations has no legal authority  
20 to impose taxes on United States citizens;

21 (11) the Organization for Economic Coopera-  
22 tion and Development is seeking to hinder tax com-  
23 petition between nations;

24 (12) the United States has a relatively low tax  
25 burden compared to other developed nations and any

1 effort to hinder tax competition will undermine the  
2 competitive advantage of the United States;

3 (13) the Organization for Economic Coopera-  
4 tion and Development is pursuing tax harmonization  
5 policies that would enable foreign governments to  
6 tax income earned in the United States;

7 (14) the power to determine the tax treatment  
8 of income inside national borders is an attribute of  
9 sovereignty; and

10 (15) the United States finances approximately  
11 one-fourth of the budget of the Organization for  
12 Economic Cooperation and Development.

13 **SEC. 3. PROHIBITION ON IMPOSITION OF GLOBAL TAX-**  
14 **ATION, MULTILATERAL BANK BORROWING,**  
15 **OR TAX HARMONIZATION.**

16 No funds shall be obligated or otherwise expended  
17 from the United States Treasury for any purpose to the  
18 United Nations or any of its specialized or affiliated agen-  
19 cies if the United Nations or any of its specialized or affili-  
20 ated agencies—

21 (1) attempts to implement or impose any tax-  
22 ation or fee on any United States persons;

23 (2) attempts to implement or impose a policy  
24 that would enable foreign governments to tax income  
25 earned inside the borders of the United States; or

1           (3) attempts to borrow funds from the Inter-  
2           national Bank for Reconstruction and Development  
3           (commonly referred to as the “World Bank”), the  
4           International Monetary Fund, or any other similar  
5           or regional international financial institution.

6 **SEC. 4. PROHIBITION ON CONTINUED DEVELOPMENT AND**  
7                           **PROMOTION OF GLOBAL TAXATION OR TAX**  
8                           **HARMONIZATION PROPOSALS.**

9           No funds shall be obligated or otherwise expended  
10          from the United States Treasury for any purpose to the  
11          United Nations or any of its specialized or affiliated agen-  
12          cies (including the United Nations Development Program)  
13          unless the President certifies in writing to the Congress  
14          15 days in advance of such payment that the United Na-  
15          tions or such agency, as the case may be, is not engaged  
16          in any effort to—

17                 (1) develop, advocate, promote, or publicize any  
18          proposal concerning taxation or fees on United  
19          States persons in order to raise revenue for the  
20          United Nations or any such agency; or

21                 (2) to develop, advocate, promote, or publicize  
22          any proposal concerning foreign government taxation  
23          or fees on United States-source income.

1 **SEC. 5. PROHIBITION ON IMPOSITION OF GLOBAL TAX-**  
2 **ATION, MULTILATERAL BANK BORROWING,**  
3 **OR TAX HARMONIZATION.**

4 No funds shall be obligated or otherwise expended  
5 from the United States Treasury for any purpose to the  
6 Organization for Economic Cooperation and Development  
7 or any of its specialized or affiliated agencies if the Orga-  
8 nization for Economic Cooperation and Development—

9 (1) attempts to implement or impose any tax-  
10 ation or fee on any United States persons;

11 (2) attempts to implement or impose a policy  
12 that would enable foreign governments to tax income  
13 earned inside the borders of the United States; or

14 (3) attempts to borrow funds from the Inter-  
15 national Bank for Reconstruction and Development  
16 (commonly referred to as the “World Bank”), the  
17 International Monetary Fund, or any other similar  
18 or regional international financial institution.

19 **SEC. 6. PROHIBITION ON CONTINUED DEVELOPMENT AND**  
20 **PROMOTION OF GLOBAL TAXATION OR TAX**  
21 **HARMONIZATION PROPOSALS.**

22 No funds shall be obligated or otherwise expended  
23 from the United States Treasury for any purpose to the  
24 Organization for Economic Cooperation and Development  
25 or any of its specialized or affiliated agencies unless the  
26 President certifies in writing to the Congress 15 days in

1 advance of such payment that the Organization for Eco-  
2 nomic Cooperation and Development or such agency, as  
3 the case may be, is not engaged in any effort to—

4 (1) develop, advocate, promote, or publicize any  
5 proposal concerning taxation or fees on United  
6 States persons in order to raise revenue for the Or-  
7 ganization for Economic Cooperation and Develop-  
8 ment or any such agency; or

9 (2) develop, advocate, promote, or publicize any  
10 proposal concerning foreign government taxation or  
11 fees on United States-source income.

12 **SEC. 7. STATUTORY CONSTRUCTION.**

13 Payments prohibited under this Act include disburse-  
14 ments to the United Nations or Organization for Eco-  
15 nomic Cooperation and Development pursuant to any un-  
16dertaking made by the United States before the prohibi-  
17 tion becomes effective.

18 **SEC. 8. DEFINITIONS.**

19 As used in this Act:

20 (1) The term “person” has the meaning given  
21 such term in section 7701(a)(1) of the Internal Rev-  
22 enue Code of 1986 (26 U.S.C. 7701(a)(1)).

23 (2) The term “taxation or fees on United  
24 States persons” includes any tax or fee assessed on  
25 United States persons on a per capita basis or on

1 a transaction or user basis, including but not limited  
2 to any tax or fee on international air travel, foreign  
3 exchange transactions, the mails, or extraction or  
4 use of natural resources.

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