



HR0553

LRB098 13069 GRL 47582 r

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HOUSE RESOLUTION

2 WHEREAS, Despite the current instability of the economy,
3 times in which income inequality rises and middle-class wages
4 stagnate, American taxpayers are subsidizing tens of billions
5 of dollars in corporate bonuses; and

6 WHEREAS, In 1993, Congress capped the deductibility of
7 certain executive pay to \$1 million; however, the law allowed
8 an exception for performance-based pay, including stock
9 options, non-equity incentive plans, and stock appreciation
10 rights, as part of Section 162(m) of the Internal Revenue Code;
11 as a result of the law, more executive compensation packages
12 have been structured to meet the performance-based exception as
13 a way to avoid paying taxes on corporate earnings; and

14 WHEREAS, On August 1, 2013, United States Senators Jack
15 Reed (D-RI) and Richard Blumenthal (D-CT) introduced a bill
16 that would address these inequities; and

17 WHEREAS, The Stop Subsidizing Multimillion Dollar
18 Corporate Bonuses Act would limit the tax deductibility of
19 executive pay to \$1 million and eliminate the exception for
20 commission-based and performance-based compensation; the Act
21 would also expands the restrictions to all current and former
22 employees of all corporations that file periodic reports with

1 the United States Securities and Exchange Commission; and

2 WHEREAS, The Stop Subsidizing Multimillion Dollar
3 Corporate Bonuses Act would generate \$50 billion in tax revenue
4 over a 10-year period; this revenue could be used for any
5 number of public programs that would promote the general
6 interest; therefore, be it

7 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
8 NINETY-EIGHTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
9 we urge Congress to pass S. 1476, the Stop Subsidizing
10 Multimillion Dollar Corporate Bonuses Act; and be it further

11 RESOLVED, That suitable copies of this resolution be
12 delivered to the Speaker and Minority Leader of the United
13 States House of Representatives, the Majority and Minority
14 Leaders of the United States Senate, and the members of the
15 Illinois congressional delegation.