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S. 1623

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is not engaged in global taxation schemes.

IN THE SENATE OF THE UNITED STATES

JUNE 14, 2007

Mr. INHOFE (for himself, Mr. NELSON of Nebraska, Ms. SNOWE, Mr. STEVENS, Mr. BUNNING, Mr. CRAPO, Mr. CRAIG, Mr. KYL, Mr. ENSIGN, Mr. COBURN, Mr. SHELBY, Mr. CHAMBLISS, Mrs. HUTCHISON, Mr. VITTER, Mr. SESSIONS, Mr. THUNE, Mr. BOND, Mr. SMITH, Mr. COCHRAN, Mr. BURR, Mrs. DOLE, and Mr. ALLARD) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is not engaged in global taxation schemes.

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 “Protection against
5 United Nations Taxation Act of 2007”, the “PUNT Act

1 of 2007”, or the “Helms-Biden Reauthorization Act of
2 2007”.

3 **SEC. 2. FINDINGS.**

4 Congress makes the following findings:

5 (1) Congress has previously taken action in op-
6 position to United Nations taxation schemes in sec-
7 tion 921 of the United Nations Reform Act of 1999
8 (chapter 2 of title IX of the Admiral James W.
9 Nance and Meg Donovan Foreign Relations Act,
10 Fiscal Years 2000 and 2001 (as enacted into law by
11 section 1000(a)(7) of Public Law 106–113 and con-
12 tained in appendix G of that Act; 113 Stat. 1501A–
13 478) (commonly referred to as “Helms-Biden”).

14 (2) The 2005 United Nations’ Human Develop-
15 ment Report, released September 7, 2005, envisages
16 “raising additional revenue through international
17 taxation mechanisms”.

18 (3) The 2005 United Nations’ Human Develop-
19 ment Report states, “Several governments are as-
20 sessing the implications of an international tax on
21 aviation fuel. Even set at a low level, such a tax
22 could raise \$9-\$10 billion a year.”.

23 (4) The 2005 United Nations’ Human Develop-
24 ment Report states, “Another proposal calls for a
25 flat-rate tax on airline passenger tickets,” with sev-

1 eral countries having “reached an agreement in prin-
2 ciple to introduce a national air ticketing tax to fi-
3 nance development spending”.

4 (5) The 2005 United Nations’ Human Develop-
5 ment Report states, “Other countries have advocated
6 a tax on currency transactions. Indeed, Belgium has
7 already passed legislation on the adoption of a cur-
8 rency tax.”.

9 (6) It has been estimated that a “Tobin tax,”
10 named after Dr. James Tobin who first proposed it,
11 would raise \$13,000,000,000,000 from a small levy
12 on international currency transactions.

13 (7) The 2005 United Nations’ Human Develop-
14 ment Report states, “Advocates for the use of inter-
15 national levies to mobilize financing for development
16 claim that the approach would produce important
17 benefits for the MDGs [Millennium Development
18 Goals] and beyond.”.

19 (8) The 2005 United Nations’ Human Develop-
20 ment Report highlights the fact that, in a 2004 re-
21 port, the Government of France argues that new
22 international taxes and fees are a good idea.

23 (9) The 2005 United Nations’ Human Develop-
24 ment Report recognizes that “the United States, in

1 particular, is opposed to the approach” of employing
2 international taxation mechanisms.

3 (10) United Nations officials have made numer-
4 ous and repeated proposals to provide financing for
5 the United Nations outside the scrutiny of Member
6 States of the United Nations, including borrowing
7 from international financial institutions, assuming
8 control of bonds issued by Member States, and im-
9 posing taxes on an extensive range of transactions,
10 goods, and services.

11 (11) The 1994 United Nations’ Human Devel-
12 opment Report stated that “[i]t is appropriate that
13 the proceeds of an international tax be devoted to
14 international purposes and be placed at the disposal
15 of international institutions”.

16 (12) On January 14, 1996, United Nations
17 General Secretary Boutros Boutros-Ghali stated that
18 an international tax would mean that “[he would]
19 not be under the daily financial will of the Member
20 States”.

21 (13) The United Nations and its organizations
22 are replete with mismanagement, waste, corruption,
23 and inefficiency which cost American taxpayers mil-
24 lions of dollars each year.

1 (14) The power to tax is an attribute of sov-
2 ereignty.

3 (15) The United Nations does not have the at-
4 tributes of sovereignty and is not a sovereign power.

5 (16) The United Nations has no legal authority
6 to impose taxes on United States citizens.

7 (17) On August 30, 2005, the United States
8 Representative to the United Nations wrote to col-
9 leagues at the United Nations to caution against
10 international spending targets “which bear no rela-
11 tion to countries’ needs or ability to use aid effec-
12 tively” and to warn against “ignor[ing] the need for
13 an enabling environment at the national level for aid
14 to be effective in promoting development”.

15 (18) The Report of the United Nations Com-
16 mission on the Private Sector and Development esti-
17 mates that developing countries have
18 \$9,400,000,000,000 in private financial assets that
19 cannot be fully mobilized because of corruption and
20 inadequate legal protection for property and con-
21 tracts.

22 (19) On August 30, 2005, the United States
23 Representative to the United Nations observed,
24 “Prosperity requires institutions at the national level

1 that generate wealth and enable countries to partici-
2 pate in the global economy.”.

3 (20) As a matter of prioritization, foreign na-
4 tional and international corruption and legal protec-
5 tion for property and contracts must be addressed
6 before additional spending of American taxpayer dol-
7 lars on foreign aid exacerbates these problems.

8 (21) On August 30, 2005, the United States
9 Representative to the United Nations observed, “De-
10 velopment is about putting into place a complex set
11 of policies and institutions that will generate eco-
12 nomic growth and sustain it over the long haul to
13 the benefit of all countries.”.

14 (22) On August 30, 2005, the United States
15 Representative to the United Nations observed, “A
16 global partnership is predicated on the acceptance by
17 developing countries of their national responsibility
18 to undertake specific reforms to improve their eco-
19 nomic governance and respect for human rights and
20 the rule of law.”.

21 (23) On August 30, 2005, the United States
22 Representative to the United Nations stated clearly
23 and firmly that “the United States is unable to
24 agree” to “new open-ended donor financial commit-
25 ments”.

1 (24) On August 30, 2005, the United States
2 Representative to the United Nations stated clearly
3 and firmly that “the U.S. does not accept global aid
4 targets or global taxes”.

5 (25) Any activity by United Nations officials,
6 personnel, agents, or contractors to develop, advo-
7 cate, or promote international taxes or fees, except
8 as noted in section 3(b)(4), is unacceptable and
9 must be thoroughly investigated.

10 (26) On August 30, 2005, the United States
11 Representative to the United Nations cautioned
12 against “global governance” and objected to
13 “assert[ing] a primacy for the United Nations in
14 international economic governance without respect-
15 ing the roles and mandates of other institutions”.

16 (27) On March 21, 2005, United Nations Sec-
17 retary-General Kofi Annan addressed the General
18 Assembly to present a report entitled, “In Larger
19 Freedom” that advocates, “Global development as-
20 sistance must be more than doubled over the next
21 few years. . . . Each developed country that has not
22 already done so should establish a timetable to
23 achieve the 0.7% target of gross national income for
24 official development assistance no later than 2015,
25 starting with significant increases no later than

1 2006, and reaching 0.5% by 2009. The increase
2 should be front-loaded through an International Fi-
3 nance Facility, and other innovative sources of fi-
4 nancing should be considered for the longer term.”.

5 (28) The term “innovative sources of financ-
6 ing” involves developing, advocating, endorsing, pub-
7 licizing, promoting, and collecting international taxes
8 and fees.

9 (29) According to the “In Larger Freedom” re-
10 port, the United Nations proposes to create an inter-
11 national revenue service named the International Fi-
12 nance Facility.

13 (30) This proposed international revenue serv-
14 ice would extract long-term binding financial com-
15 mitments from developed nations and collect this
16 money.

17 (31) This proposed international revenue serv-
18 ice would also issue debt on the global market for
19 bonds issued by supranational institutions and agen-
20 cies and transfer wealth to developing nations.

21 (32) The January 2003 proposal of the United
22 Kingdom for an International Financing Facility,
23 which the United Nations has endorsed, states,
24 “There have been other proposals for new and inno-
25 vative ways to raise funds to meet these goals, in-

1 including a Tobin tax, arms tax and an issue of IMF
2 special drawing rights (SDRs).”.

3 (33) On Friday, June 10, 2005, at the United
4 Nations in New York, the Inter-Parliamentary
5 Union (IPU), in cooperation with the United Na-
6 tions Department for Economic and Social Affairs
7 (Financing for Development Office), organized a
8 panel discussion entitled, “Promoting innovative
9 sources of financing for development: What role for
10 parliaments?”.

11 (34) The United Nations panel of June 10,
12 2005, laid the lobbying groundwork for global taxes
13 and fees, stating “The panel aimed at providing the
14 United Nations with a first direct impression of the
15 political support that currently exists at the par-
16 liamentary level or that may be mobilized in future
17 for innovative sources of development financing.”.

18 (35) The United Nations panel of June 10,
19 2005, concluded that “most proposed new sources of
20 financing will eventually require a legislative frame-
21 work either to regulate existing financing mecha-
22 nisms or to create brand new ones”.

23 (36) The United Nations panel of June 10,
24 2005, stated, “[T]he role of parliaments is essential

1 to mobilize the required political support for the var-
2 ious innovative mechanisms on the table.”.

3 (37) The United Nations panel of June 10,
4 2005, lobbied to maximize new international taxes,
5 “The seven parliamentarians on the panel agreed
6 that no single innovative proposal alone would suf-
7 fice to fill the financing gap left open by traditional
8 sources (estimated between 50 and 100 billion dol-
9 lars a year). It was important therefore that a num-
10 ber of proposals be advanced at the same time.”.

11 (38) The United Nations panel of June 10,
12 2005, explained the rationale behind the first, most
13 promising way to levy new international revenues
14 from the likes of United States nationals, stating,
15 “Among these, the IFF was likely to be a favourite
16 because it did not require universality, could mobi-
17 lize considerable sums, created a more predictable
18 and stable flow, and could easily be scrutinized by
19 contributing countries’ parliaments. Because the
20 IFF can be implemented in the short term, it con-
21 stitutes the most rapid response. . . . The first IFF,
22 to raise \$4 billion . . . will be launched this year.”.

23 (39) The United Nations panel of June 10,
24 2005, lobbied to find the most efficient way to trans-
25 fer wealth out of the United States, stating, “On re-

1 mittances, the impression of the panel was that it
2 should not be too difficult to find some creative solu-
3 tion to reduce the average 20 percent transaction
4 fee, and thus increase the overall flow.”.

5 (40) The United Nations panel of June 10,
6 2005, lobbied to make life easier for illegal immi-
7 grants, stating, “A more intractable problem, how-
8 ever, has to do with facilitating money transfers for
9 illegal migrants who fear exposure to the authorities.
10 The situation has become particularly difficult in the
11 United States, the largest remittance-sending coun-
12 try, following the tightening of security measures
13 since the September 11th attacks.”.

14 (41) The United Nations panel of June 10,
15 2005, confronted the challenges of international tax-
16 ation and offered some glimmer of hope, “When it
17 comes to discussions about international taxation,
18 some of the parliamentarians on the panel felt
19 strongly that this would for several years to come be
20 a political non-starter in too many legislatures (al-
21 though the Canadian House of Commons did adopt
22 a motion on an international currency transaction
23 tax that expressed support for such a tax ‘in concert
24 with the international community’). The reasons ad-
25 duced for this negative assessment were the classic

1 ones: international taxes can distort investment and
2 trade flows, can undermine national sovereignty,
3 may be impossible to universalize, and may even
4 tamper with a country's defence capacities (in the
5 case of taxes on arms sales).”.

6 (42) In order to tax with the greatest of ease,
7 the United Nations panel of June 10, 2005, advo-
8 cated the following: “For other panelists, however,
9 at least some new fiscal levies could be instituted
10 without seeking a universal consensus. The best ex-
11 ample of this is given by flight departure taxes;
12 these can be implemented at the country level and
13 can generate a fairly predictable and rich stream.”.

14 (43) On August 28, 2005, Asia-Europe Dia-
15 logue & Partner offered their Declaration on Innova-
16 tive Sources of Financing for Development, “At the
17 initiative of President Luiz Inácio Lula da Silva, of
18 Brazil, we gathered in New York, on 20th Sep-
19 tember 2004, to ... increase financing for develop-
20 ment. ... [T]he international discussions of innova-
21 tive sources of funding have gained momentum. The
22 issue has become a regular feature in UN discus-
23 sions on financing for development and has been in
24 the agenda of multilateral financial institutions and
25 other important international fora.”.

1 (44) The United Nations General Assembly
2 agenda item dated on October 15, 2004, and titled
3 “Follow-up to and implementation of the outcome of
4 the International Conference on Financing for De-
5 velopment” states the determination of the General
6 Assembly “to continue to implement and build fur-
7 ther on the commitments made and agreements
8 reached at the International Conference on Financ-
9 ing for Development and to strengthen the coordi-
10 nated and coherent engagement of all relevant stake-
11 holders in the financing for development process”.

12 (45) The World Federalist Movement Web page
13 on Global Economic Governance states that organi-
14 zation’s position on global levies or taxes, noting the
15 United Nations’ calls for major efforts to mobilize
16 additional financial resources and stating that a
17 treaty or convention for collection of revenues for
18 funding is in the works: “For multilateral institu-
19 tions to be effective and independent they must have
20 stable and adequate funding. There is a fundamental
21 need for new financial mechanisms to provide for a
22 strengthened and democratized multilateral system.
23 Since the U.N. conference on Financing for Develop-
24 ment in 2002, more intergovernmental attention has
25 been given to the possibility of innovative sources of

1 finance such as environmental charge, currency
2 transaction taxation, taxation of arms trade, Inter-
3 national Financial Facility as proposed by the Brit-
4 ish government, and remittance's benefits as well as
5 voluntary contributions through credit cards and lot-
6 teries.

7 “Several reports have been written on the feasi-
8 bility of some of these innovative sources of finance
9 by Member-States and U.N. bodies. In the note by
10 the U.N. Secretary-General on innovative sources of
11 financing for development, he calls for ‘major efforts
12 by developing countries and the international com-
13 munity to mobilize additional financial resource’.
14 Brazil, France, Chile and Spain have taken the lead
15 in a campaign for Action against Hunger and Pov-
16 erty emphasizing the need for innovative finance
17 mechanisms if the Millennium Development Goals
18 (MDGs) are to be accomplished.

19 “Whereas the current intergovernmental debate
20 about innovative sources of finance is placed within
21 the framework of financing development and more
22 specifically the MDGs, WFM believes that the de-
23 bate should be seen in a broader perspective to also
24 include the element of independent funding of multi-
25 lateral organizations.

1 “At present the most powerful countries provide
2 the vast majority of funding for international organi-
3 zations and possess an immense and unbalanced
4 control over the political decisions of these organiza-
5 tions. To reverse this trend, WFM calls for a mix-
6 ture of state and independent funding of inter-
7 national organizations to ensure fair and democratic
8 decision-making processes exempt from power poli-
9 tics. WFM thus believes that independent funding
10 for multilateral organizations would address the
11 challenges and obstacles for achieving democratic
12 global governance.

13 “WFM specifically consider the global taxation
14 of transnational currency transactions to be the
15 most important source of independent funding and
16 advocates a global implementation of the Tobin tax.
17 Eventually, in cooperation with other NGOs and
18 legal experts, WFM hopes to draft a treaty or con-
19 vention for collection of revenues for funding the
20 multilateral system that can be proposed and carried
21 forth in intergovernmental processes.”.

22 (46) The International Financial Institutions in
23 Latin America state on their Web page the fol-
24 lowing: “Another study on innovative sources of fi-
25 nancing for development, commissioned by the U.N.

1 from WIDER (The World Institute for Development
2 Economics Research), was published in August
3 2004. Undertaken by Professor Anthony B. Atkin-
4 son of Nuffield College, Oxford University, the study
5 examines some of the same potential sources for ad-
6 ditional aid as well as considering how international
7 taxes might be administered by national authorities.

8 “In addition to the Tobin tax, it considers a
9 global environmental levy, a carbon-use tax, applied
10 at a rate of US4.8 cents a US gallon (E 0.01 per
11 litre). This tax ‘levied only on high-income countries
12 could indeed raise some US\$60 billion a year’.”.

13 (47) On August 17, 2004, the United Nations
14 General Assembly distributed a document entitled,
15 “Innovative Sources of Financing for Development”,
16 which stated the following:

17 “The General Assembly, in its resolution
18 58/230 of 23 December 2003, decided to con-
19 sider at its fifty-ninth session possible innova-
20 tive sources of financing for development, and
21 requested the Secretary-General to submit the
22 result of the analysis on this issue as called for
23 in paragraph 44 of the Monterrey Consensus of
24 the International Conference on Financing for
25 Development. In the Consensus, heads of State

1 and Government recognized the value of explor-
2 ing innovative sources of finance provided that
3 those sources did not unduly burden developing
4 countries, and agreed to study, in the appro-
5 priate forums, the results of the analysis re-
6 quested from the Secretary-General on possible
7 innovative sources of finance.

8 “In this connection, it should be recalled
9 that the General Assembly, in the context of the
10 five-year review of the implementation of the
11 outcome of the World Summit for Social Devel-
12 opment, adopted resolution S-24/2 of 1 July
13 2000, on further initiatives for social develop-
14 ment, in which it called for a rigorous analysis
15 of the advantages, disadvantages and other im-
16 plications of proposals for developing new and
17 innovative sources of funding, both public and
18 private, for dedication to social development
19 and poverty eradication programmes.

20 “In response to the decisions of the Assem-
21 bly, the Department of Economic and Social
22 Affairs of the United Nations Secretariat com-
23 missioned the World Institute for Development
24 Economics Research of the United Nations
25 University (UNUWIDER) to undertake, during

1 the period from 2003 to 2004, a study of new
2 and innovative sources of development finance.
3 The purpose of the study was not to devise new
4 financing mechanisms for development but to
5 consider some of the better-known existing pro-
6 posals, focusing on their design and policy im-
7 plications. An international expert on fiscal
8 issues, Professor Anthony B. Atkinson, Warden
9 of Nuffield College, Oxford University, led the
10 project, which engaged a number of academics
11 to prepare separate papers on a selection of in-
12 novative financing proposals. The UNU-
13 WIDER study, entitled *New Sources of Devel-*
14 *opment Finance*, will be published by Oxford
15 University Press in 2004.

16 “An edited version of a policy-focused sum-
17 mary, entitled ‘*New Sources of Development Fi-*
18 *nance: Funding the Millennium Development*
19 *Goals*’, prepared by Professor Atkinson in his
20 capacity as director of the UNU-WIDER study,
21 is contained in the annex to the present note.
22 It presents the analytical framework, short
23 summaries of the seven proposed sources of
24 funding (i.e., global environmental taxes, tax on
25 currency transactions, creation of new special

1 drawing rights, an international finance facility,
2 increased private donations for development, a
3 global lottery and global premium bond, and in-
4 creased remittances from emigrants), an over-
5 view of the key findings, and some conclu-
6 sions.”.

7 (48) The foreword to the United Nations Uni-
8 versity book entitled “New Sources of Development
9 Finance” observes that, “Proposals for any form of
10 global taxation meet immediate opposition from pow-
11 erful elements in the US Congress. On the other
12 hand, there is widespread appreciation of the need
13 for new resource flows”.

14 (49) The foreword to the book also explains
15 that earmarking of taxes for particular uses can be
16 an effective tactic for the implementation of new
17 taxes, stating that “[w]e can learn from the analysis
18 of the ear-marking of taxes . . .”.

19 (50) The foreword to the book also clearly ex-
20 plains the lobbying goal of the book, stating, “The
21 ultimate aim is to help break the present impasse in
22 external finance for developing countries, and we be-
23 lieve this study will make an important contribution
24 to the debate.”.

1 (51) One contributor to New Sources of Devel-
2 opment Finance suggests that taxes be collected by
3 national governments and then provided for inter-
4 national purposes, perhaps through “an inter-
5 national agency”. Another contributor suggests the
6 establishment of a “World Tax Authority” under the
7 United Nations system.

8 (52) In June 2001, Ruben P. Mendez, formerly
9 of the United Nations Development Programme,
10 presented a paper entitled “The Case for Global
11 Taxes: An Overview” to the United Nations ad hoc
12 Expert Group Meeting on Innovation in Mobilizing
13 Global Resources for Development.

14 (53) In “The Case for Global Taxes” Mr.
15 Mendez claims that as a percentage of gross na-
16 tional product, official development assistance from
17 the United States to foreign nations “runs at about
18 0.22 per cent, or less than one-third of the univer-
19 sally accepted norm of 0.7 per cent” and explains
20 that the public transfer of resources from the United
21 States to foreign nations could be brought to 22 to
22 28 percent, or one hundred times what it is now,
23 through a formal system of international taxation of
24 the United States.

1 (54) According to Jeffrey D. Sachs, a Special
2 Advisor to United Nations Secretary-General Annan
3 on the Millennium Development Goals, the rate of
4 United States assistance remains at 0.15 percent
5 and, therefore, “We are short by \$65 billion each
6 year.”.

7 (55) In his 2001 United Nations paper, Mr.
8 Mendez states, “Permits to pollute, in fact, are a
9 form of corrective, or ‘Pigovian’, taxation and could
10 presage the acceptance of global taxation per se in
11 view of the interest of the big industrial polluting
12 nations in this approach.”.

13 (56) The 2001 United Nations paper continues,
14 “In the international economy, however, the global
15 commons are generally used free of charge. It is
16 therefore only logical to have a system of global
17 taxes, or user charges. The global commons may be
18 defined as those physical attributes of the universe
19 that fall outside national jurisdiction or ownership.
20 In addition to the traditional, tangible kinds of geo-
21 graphical space and features, e.g., land, bodies of
22 water, ocean depths, air, natural resources and eco-
23 systems, they include impalpable but nevertheless
24 important physical facts such as the different levels

1 of outer space, the orbits of geostationary satellites,
2 and the electromagnetic spectrum.”.

3 (57) The 2001 United Nations paper reflects,
4 “Nobel Memorial Prize-winning economist James
5 Tobin of Yale has proposed taxing foreign exchange
6 transactions Professor Tobin has noted that it
7 could also be a ‘terrific fund raiser’ that ‘could cover
8 everything’—a potential that has not been lost on
9 people concerned with international fund raising,
10 who have now latched on to the ‘Tobin tax’ band-
11 wagon.”.

12 (58) Journalist Steven Solomon, a former staff
13 reporter at Forbes Magazine, estimates that the
14 Tobin tax “might net some \$13 trillion a year”.

15 (59) The 2001 United Nations paper alter-
16 nately advocates the creation of a foreign currency
17 exchange to replace the role banks currently play
18 and to levy user charges.

19 (60) The 2001 United Nations paper also advo-
20 cates an ad valorem tax on international trade,
21 which the paper claims is justified, arguing, “trade
22 uses the global commons, and 95 percent consists of
23 goods transported by ocean freight. It would be a
24 form of user fee. An alternative would be a tax on
25 ocean freight.”

1 (61) The 2001 United Nations paper also advo-
2 cates, “Military expenditures and arms transfers
3 could also be taxed.”.

4 (62) The 2001 United Nations paper also advo-
5 cates, “Taxes could also be on specific traded com-
6 modities, for instance, internationally traded oil,
7 other exhaustible materials ... or manufactured
8 goods.”.

9 (63) The 2001 United Nations paper also advo-
10 cates “serious attempts to compensate [developing
11 countries] for the opportunity costs of conservation
12 or to promote the generation of positive externalities
13 whose returns these countries are unable to cap-
14 ture”.

15 (64) The 2001 United Nations paper also advo-
16 cates taxing, overflight, stating, “Like the high seas,
17 international air space provides a passage for inter-
18 national transport. Since it lies outside national ju-
19 risdiction, is used by aircraft of various nations and
20 is congestible, there is logic behind having the inter-
21 national public sector assert global ownership and
22 charge user fees. One way this could be accom-
23 plished is through a surcharge on international air
24 tickets, a proposal suggested by former Secretary-

1 General Boutros Boutros-Ghali, but not repeated
2 since an outcry by a group of US congressmen.”.

3 (65) The 2001 United Nations paper also advo-
4 cates, “In addition to taxing and tapping foreign ex-
5 change transactions, discussed at the beginning of
6 this section, there are two measures of a monetary
7 nature, with considerable possibilities for fund rais-
8 ing, that are worth revisiting: Special drawing rights
9 (SDRs) and IMF gold holdings.”.

10 (66) The 2001 United Nations paper also advo-
11 cates, “The ‘Bhagwati tax’ is one of many which
12 have an economic and ethical rationale but must be
13 appraised in terms of political and national juridical
14 considerations. Although not presented initially with-
15 in a public economics framework, it can be seen as
16 a way for the developed countries to compensate
17 generators of positive externalities—the countries of
18 origin of the highly trained emigrants, who benefit
19 the receiving countries and do not produce returns
20 that can be captured by their home countries. Such
21 taxes have existed for some time, such as the exit
22 taxes of the Russian Federation and the former
23 USSR, although Bhagwati’s point is that it is the
24 beneficiaries, including the recipient countries, which
25 should pay the taxes.”.

1 (67) In the 2001 United Nations paper,
2 Mendez declared that, “The concept of automaticity
3 in international public financing [mandatory inter-
4 national taxation] was first discussed in an official
5 international forum in 1977, at the United Nations
6 Conference on Desertification (UNCOD) in Nairobi.
7 It was developed and incorporated in concrete pro-
8 posals in subsequent studies and reports, in 1978
9 and 1980, by the United Nations Environmental
10 Programme (UNEP) and the Secretary-General to
11 the Economic and Social Council (ECOSOC) and
12 the General Assembly on financing the UNCOD
13 Plan of Action. These proposals were first analysed
14 in an international public finance framework in my
15 1992 book on the subject”.

16 (68) The global tax proposals have thus been
17 developed from 1977 to the present, calling into
18 question the validity of the Helms-Biden certification
19 required under section 921 of the United Nations
20 Reform Act of 1999 (chapter 2 of title IX of the Ad-
21 miral James W. Nance and Meg Donovan Foreign
22 Relations Act, Fiscal Years 2000 and 2001 (as en-
23 acted into law by section 1000(a)(7) of Public Law
24 106–113 and contained in appendix G of that Act;

1 113 Stat. 1501A–478) (commonly referred to as
2 “Helms-Biden”).

3 (69) The 2001 United Nations paper concludes
4 simply that “the dawn of global taxation appears to
5 be at hand”.

6 (70) The handling by the United Nations of the
7 global tax issue is discussed in the book, “World
8 Democratic Federalism,” by Myron J. Frankman,
9 who says that one factor behind the “hostile reac-
10 tion” of the United States Congress “to activity by
11 the UN aimed at the promotion of any global taxes
12 was the publication by the United Nations Develop-
13 ment Program of a 1996 book titled, ‘The Tobin
14 Tax’”.

15 (71) The United Nations and international or-
16 ganizations have developed, advocated, endorsed,
17 promoted, and publicized proposals concerning the
18 imposition of taxes and fees on United States na-
19 tionals in order to raise revenue for the United Na-
20 tions and international organizations.

21 **SEC. 3. PAYMENT OF CERTAIN CONTRIBUTIONS CONTIN-**
22 **GENT UPON CERTIFICATION OF NO UNITED**
23 **NATIONS TAXATION SCHEMES.**

24 (a) WITHHOLDING OF PORTION OF ASSESSED CON-
25 TRIBUTIONS.—Notwithstanding any other provision of

1 law, until the President submits the certification required
2 under subsection (b) for a fiscal year, the United States
3 shall withhold during such year 20 percent of assessed
4 contributions to the regular budget of the United Nations
5 and other applicable international organizations.

6 (b) CERTIFICATION.—

7 (1) CERTIFICATION REQUIRED.—The certifi-
8 cation referred to in subsection (a) is an annual cer-
9 tification made by the President to Congress that
10 the following conditions have been met:

11 (A) NO UNITED NATIONS LEGAL TAXATION
12 AUTHORITY.—Except as provided in paragraph
13 (2), neither the United Nations nor any of its
14 specialized or affiliated agencies nor any other
15 international organization has the authority
16 under United States law to impose taxes or fees
17 on the United States Government or on the sev-
18 eral States or on United States corporate citi-
19 zens or on United States nationals.

20 (B) NO TAXES OR FEES.—Except as pro-
21 vided in paragraph (2), a tax or fee has not
22 been imposed on the United States Government
23 or on the several States or on United States
24 corporate citizens or on United States nationals
25 by the United Nations or any of its specialized

1 or affiliated agencies or any other international
2 organization.

3 (C) NO TAXATION PROPOSALS.—Except as
4 provided in paragraph (2), neither the United
5 Nations nor any of its specialized or affiliated
6 agencies nor any other international organiza-
7 tion has developed, advocated, endorsed, pro-
8 moted, or publicized any proposal concerning
9 the imposition of a tax or fee on any United
10 States national or any income earned in the
11 United States in order to raise revenue for the
12 United Nations, any foreign government, or any
13 international organization.

14 (2) EXCEPTION.—The conditions in subpara-
15 graphs (A) through (C) of paragraph (1) do not
16 apply to—

17 (A) fees for publications or other kinds of
18 fees that are not tantamount to a tax on United
19 States citizens;

20 (B) the World Intellectual Property Orga-
21 nization; or

22 (C) the staff assessment costs of the
23 United Nations and its specialized or affiliated
24 agencies.

1 **SEC. 4. SAVINGS CLAUSE.**

2 (a) ENFORCEMENT OF RESTRICTIONS.—

3 (1) IN HOUSE OF REPRESENTATIVES.—It shall
4 not be in order in the House of Representatives to
5 consider any bill, joint resolution, amendment, mo-
6 tion, or conference report suspending, waiving, or re-
7 pealing the requirement in section 3(a).

8 (2) IN SENATE.—It shall not be in order in the
9 Senate to consider any bill, joint resolution, amend-
10 ment, motion, or conference report suspending,
11 waiving, or repealing the requirement in section
12 3(a).

13 (b) WAIVER OF RULE IN SENATE.—Subsection (a)
14 may be waived or suspended in the Senate only by the
15 affirmative vote of two-thirds of the Members, duly chosen
16 and sworn.

17 (c) APPEALS.—

18 (1) PROCEDURE.—Appeals in the Senate from
19 the decisions of the Chair relating to any provision
20 of this section shall be limited to 1 hour, to be
21 equally divided between, and controlled by, the
22 mover and the manager of the bill, resolution,
23 amendment, or conference report, as the case may
24 be.

25 (2) SUSTAINABILITY OF APPEAL.—An affirma-
26 tive vote of three-fifths of the Members, duly chosen

1 and sworn, shall be required in the Senate to sustain
2 an appeal of the ruling of the Chair on a point of
3 order raised under this section.

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