

(Purpose: To provide a reservation to the Protocol)

In section 1, in the section heading, strike “DECLARATION AND CONDITIONS” and insert “DECLARATION, CONDITIONS, AND A RESERVATION”.

In section 1, strike “declaration of section 2 and the conditions in section 3” and insert “declaration of section 2, the conditions in section 3, and the reservation in section 4”.

At the end, add the following:

SEC. 4. RESERVATION.

The advice and consent of the Senate under section 1 is subject to the following reservation: In the case of the United States, the provisions of paragraph 2 of Article XV shall apply as if the Protocol had entered into force on January 1, 2019.

Mr. PAUL. I ask unanimous consent that the reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PAUL. Madam President, I am offering a reservation to these treaties that would maximize the benefit for individuals and businesses that are impacted by these tax provisions.

My proposed reservation would establish only for the United States—and only for our tax purposes—an effective date of January 1, 2019. By entering into these treaties, the United States and our partners are committing to the same set of tax rules and solving the problems of double taxation that plague businesses that operate in several countries.

Senate debate on the merits of these treaties has taken many years, and there is no reason to punish American companies that paid their foreign taxes but then were double-taxed by the IRS due to the lack of a ratified treaty.

As I have said many times, I support the benefit of these treaties. I wish we added privacy protections, but I do support the benefits of avoiding double taxation.

I also support making whole those who have been double-taxed, and I think it is the right thing to do to backdate these to the beginning of the year. My proposed reservation would grant these companies and the IRS the additional benefit of having a uniform tax for 2019.

To give an example of a company in my State that would benefit, North American Stainless cannot pay dividends without being subject to double taxation. If we were to make this retroactive, we would not punish this company in my State. It is disappointing to me that the senior Senator from Kentucky led the opposition to this amendment because it would stand to greatly benefit a Kentucky company. It also would stand to greatly benefit many companies around the country if we were simply to make this retroactive.

We talked to the countries involved, and there is not one country that expressed any reservation about this. It is with great disappointment that I have to oppose the senior Senator from Kentucky, who is opposing this amendment and rallying those in the body to

prevent this from being retroactive. This would in no way slow down the treaties, and it is inappropriately said by some that it would. These treaties would go through with flying colors, and the reservation would apply only to our country.

I hope those who are thinking about how to vote on this will consider voting to make these treaties start in January 1 of this year.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 921.

Mr. CRAPO. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Colorado (Mr. BENNET), the Senator from New York (Mrs. GILLIBRAND), the Senator from California (Ms. HARRIS), and the Senator from Vermont (Mr. SANDERS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 4, nays 92, as follows:

[Rollcall Vote No. 208 Ex.]

YEAS—4

Cruz	Paul
Lee	Sullivan

NAYS—92

Alexander	Gardner	Portman
Baldwin	Graham	Reed
Barrasso	Grassley	Risch
Blackburn	Hassan	Roberts
Blumenthal	Hawley	Romney
Blunt	Heinrich	Rosen
Booker	Hirono	Rounds
Boozman	Hoeven	Rubio
Braun	Hyde-Smith	Sasse
Brown	Inhofe	Schatz
Burr	Isakson	Schumer
Cantwell	Johnson	Scott (FL)
Capito	Jones	Scott (SC)
Cardin	Kaine	Shaheen
Carper	Kennedy	Shelby
Casey	King	Sinema
Cassidy	Klobuchar	Smith
Collins	Lankford	Stabenow
Coons	Leahy	Tester
Cornyn	Manchin	Thune
Cortez Masto	Markey	Tillis
Cotton	McConnell	Toomey
Cramer	McSally	Udall
Crapo	Menendez	Van Hollen
Daines	Merkley	Warner
Duckworth	Moran	Warren
Durbin	Murkowski	Whitehouse
Enzi	Murphy	Wicker
Ernst	Murray	Wyden
Feinstein	Perdue	Young
Fischer	Peters	

NOT VOTING—4

Bennet	Harris
Gillibrand	Sanders

The amendment (No. 921) was rejected.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

Mr. CORNYN. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The senior assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Colorado (Mr. BENNET), the Senator from New York (Mrs. GILLIBRAND), the Senator from California (Ms. HARRIS), and the Senator from Vermont (Mr. SANDERS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 94, nays 2, as follows:

[Rollcall Vote No. 209 Ex.]

YEAS—94

Alexander	Gardner	Reed
Baldwin	Graham	Risch
Barrasso	Grassley	Roberts
Blackburn	Hassan	Romney
Blumenthal	Hawley	Rosen
Blunt	Heinrich	Rounds
Booker	Hirono	Rubio
Boozman	Hoeven	Sasse
Braun	Hyde-Smith	Schatz
Brown	Inhofe	Schumer
Burr	Isakson	Scott (FL)
Cantwell	Johnson	Scott (SC)
Capito	Jones	Shaheen
Cardin	Kaine	Shelby
Carper	Kennedy	Sinema
Casey	King	Smith
Cassidy	Klobuchar	Stabenow
Collins	Lankford	Sullivan
Coons	Leahy	Tester
Cornyn	Manchin	Thune
Cortez Masto	Markey	Tillis
Cotton	McConnell	Toomey
Cramer	McSally	Udall
Crapo	Menendez	Van Hollen
Cruz	Merkley	Warner
Daines	Moran	Warren
Duckworth	Murkowski	Whitehouse
Durbin	Murphy	Wicker
Enzi	Murray	Wyden
Ernst	Perdue	Young
Feinstein	Peters	
Fischer	Portman	

NAYS—2

Lee	Paul
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NOT VOTING—4

Bennet	Harris
Gillibrand	Sanders

The PRESIDING OFFICER. On this vote, the yeas are 94, the nays are 2.

Two-thirds of the Senators voting, having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification was agreed to as follows:

TREATY APPROVED

The Protocol Amending the Tax Convention with Spain (Treaty Doc. 113-4)

Resolved (two-thirds of the Senators present concurring therein),

Section 1. Senate Advice and Consent Subject to a Declaration and Conditions.

The Senate advises and consents to the ratification of the Protocol Amending the Convention between the United States of America and the Kingdom of Spain for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and its Protocol, signed at Madrid on February 22, 1990, and a related Memorandum of Understanding, signed on January 14, 2013, at Madrid, together with correcting notes dated July 23, 2013, and January 31, 2014 (the “Protocol”) (Treaty Doc. 113-4), subject to the declaration of section 2 and the conditions in section 3.

Sec. 2. Declaration.

The advice and consent of the Senate under section 1 is subject to the following declaration: The Protocol is self-executing.

Sec. 3. Conditions.

The advice and consent of the Senate under section I is subject to the following conditions:

(1) Not later than 2 years after the Protocol enters into force and prior to the first arbitration conducted pursuant to the binding arbitration mechanism provided for in the Protocol, the Secretary of the Treasury shall transmit to the Committee on Finance and the Committee on Foreign Relations of the Senate and the Joint Committee on Taxation the text of the rules of procedure applicable to arbitration panels, including conflict of interest rules to be applied to members of the arbitration panel.

(2)(A) Not later than 60 days after a determination has been reached by an arbitration panel in the tenth arbitration proceeding conducted pursuant to the Protocol or any of the treaties described in subparagraph (8), the Secretary of the Treasury shall prepare and submit to the Joint Committee on Taxation and the Committee on Finance of the Senate, subject to laws relating to taxpayer confidentiality, a detailed report regarding the operation and application of the arbitration mechanism contained in the Protocol and such treaties. The report shall include the following information:

(i) For the Protocol and each such treaty, the aggregate number of cases pending on the respective dates of entry into force of the Protocol and each treaty, including the following information:

(I) The number of such cases by treaty article or articles at issue.

(II) The number of such cases that have been resolved by the competent authorities through a mutual agreement as of the date of the report.

(III) The number of such cases for which arbitration proceedings have commenced as of the date of the report.

(ii) A list of every case presented to the competent authorities after the entry into force of the Protocol and each such treaty, including the following information regarding each case:

(I) The commencement date of the case for purposes of determining when arbitration is available.

(II) Whether the adjustment triggering the case, if any, was made by the United States or the relevant treaty partner.

(III) Which treaty the case relates to.

(IV) The treaty article or articles at issue in the case.

(V) The date the case was resolved by the competent authorities through a mutual agreement, if so resolved.

(VI) The date on which an arbitration proceeding commenced, if an arbitration proceeding commenced.

(VII) The date on which a determination was reached by the arbitration panel, if a determination was reached, and an indication as to whether the panel found in favor of the United States or the relevant treaty partner.

(iii) With respect to each dispute submitted to arbitration and for which a determination was reached by the arbitration panel pursuant to the Protocol or any such treaty, the following information:

(I) In the case of a dispute submitted under the Protocol, an indication as to whether the presenter of the case to the competent authority of a Contracting State submitted a Position Paper for consideration by the arbitration panel.

(II) An indication as to whether the determination of the arbitration panel was accepted by each concerned person.

(III) The amount of income, expense, or taxation at issue in the case as determined

by reference to the filings that were sufficient to set the commencement date of the case for purposes of determining when arbitration is available.

(IV) The proposed resolutions (income, expense, or taxation) submitted by each competent authority to the arbitration panel.

(B) The treaties referred to in subparagraph (A) are—

(i) the 2006 Protocol Amending the Convention between the United States of America and the Federal Republic of Germany for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital and to Certain Other Taxes, done at Berlin June 1, 2006 (Treaty Doc. 109-20) (the “2006 German Protocol”);

(ii) the Convention between the Government of the United States of America and the Government of the Kingdom of Belgium for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, and accompanying protocol, done at Brussels July 9, 1970 (the “Belgium Convention”) (Treaty Doc. 110-3);

(iii) the Protocol Amending the Convention between the United States of America and Canada with Respect to Taxes on Income and on Capital, signed at Washington September 26, 1980 (the “2007 Canada Protocol”) (Treaty Doc. 110-15); and

(iv) the Protocol Amending the Convention between the Government of the United States of America and the Government of the French Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, signed at Paris August 31, 1994 (the “2009 France Protocol”) (Treaty Doc. 111-4).

(3) The Secretary of the Treasury shall prepare and submit the detailed report required under paragraph (2) on March 1 of the year following the year in which the first report is submitted to the Joint Committee on Taxation and the Committee on Finance of the Senate, and on an annual basis thereafter for a period of five years. In each such report, disputes that were resolved, either by a mutual agreement between the relevant competent authorities or by a determination of an arbitration panel, and noted as such in prior reports may be omitted.

(4) The reporting requirements referred to in paragraphs (2) and (3) supersede the reporting requirements contained in paragraphs (2) and (3) of section 3 of the resolution of advice and consent to ratification of the 2009 France Protocol, approved by the Senate on December 3, 2009.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is considered made and laid upon the table, and the President will be immediately notified of the Senate’s action.

The PRESIDING OFFICER. The Senator from South Dakota.

ORDER OF PROCEDURE

Mr. THUNE. Madam President, I ask unanimous consent that at 11 a.m. on Wednesday, July 17, the Senate vote on the resolutions of ratification for Treaties Calendar Nos. 2, 3, and 4 as under the previous order and that if the resolutions are agreed to, the motions to reconsider be considered made and laid upon the table and the President be immediately notified of the Senate’s action. I further ask unanimous consent that following disposition of Treaties Calendar No. 4, the Senate resume consideration of the Corker nomination.

Finally, I ask unanimous consent that notwithstanding rule XXII, at 2 p.m. on July 17, the Senate vote on the cloture motions on the Corker, Blanchard, and Tapia nominations and that if cloture is invoked, the confirmation votes occur at a time determined by the majority leader in consultation with the Democratic leader on Thursday, July 18.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

LEGISLATIVE SESSION

MORNING BUSINESS

Mr. THUNE. Madam President, I ask unanimous consent that the Senate proceed to legislative session for a period of morning business and that Senators be permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

150TH ANNIVERSARY OF FORT KENT, MAINE

Ms. COLLINS. Madam President, today I wish to commemorate the 150th anniversary of the town of Fort Kent, ME. The motto of our State’s northernmost community, “The Little Town That Could,” describes a past of hard work, courage, and determination. “The Little Town That Can” describes Fort Kent today: a wonderful place to live, work, and raise families.

Located where the Fish River joins the St. John River, Fort Kent has a rich history. For thousands of years, the region has been the home of the Micmac and Maliseet. French explorers, led by Samuel de Champlain, first visited the area in 1604. In the early 1800s, French-speaking Canadians began settling in the area, laying the foundation for the robust Acadian culture that is so important in Maine, New Brunswick, Nova Scotia, and as far away as Louisiana.

The Acadian settlers created a vibrant community. They cleared farmland, established lumber and grain mills, schools, and churches. The namesake of the town is the Fort Kent Blockhouse, a fort named for then-Governor Edward Kent and carefully preserved today, which was built in 1839 during a long-running border dispute between the United States and British Canada. Settlement to the region increased dramatically when the “Bloodless Aroostook War” ended peacefully with a treaty in 1842.

Fort Kent’s dedication to education began shortly after the town became established. In 1878, the Madawaska Training School was established in Fort Kent, one of the first institutions in Maine dedicated to preparing students for careers as bilingual educators. That school continues today as the University of Maine at Fort Kent, which in 2019 was named for the 14th consecutive year as one of the best