

HOUSE RESEARCH

Bill Summary

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Overview

Prohibits state agencies from entering into or renewing contracts with a corporation or its subsidiary that is incorporated in a tax haven country if the United States is the principal market for public trading of the corporation's stock.

Section

1 Ineligible vendors. (a) Prohibits a state agency from entering into or renewing a contract with a corporation or its subsidiary incorporated in a tax haven country if the United States is the principal market for public trading of the corporation's stock. Provides that the commissioner of administration must require each vendor submitting a bid or contracting with a state agency to certify it is not ineligible under this section.

(b) Provides that "tax haven country" means any country that has no corporate income tax or an effective tax rate of less than ten percent on income that does not arise in or is not derived from that country. provides that "tax haven country" does not include a country that is a signatory to a treaty that would contravene this section.

(c) Allows the commissioner of administration to waive the prohibition in this section if the contract is necessary to meet a compelling public interest.