

Secretary Bocker:

Vote explanation. SB 851 is the offshore repatriation calculation bill known as GILTI. The future fix for deconflicting the state program with the federal program is fine prospective. The policy the bill conveys forward is fine. In the Committee hearing, it was stated this impacted only a few large tax filers based on corporation returns. DOR believed every taxpayer was in the know. DOR estimate slightly more than a dozen tax filers. The bill requires amended returns by each of these tax filers back two years if not more. This is the first time since 2005, in which this Legislator has seen a tax law reach back 2-3 years. It may be unconstitutional. And a filer unaware of this action may file in court with the argument changes tax law back two or more years is a violation of the law. I stated this issue in the Committee for the record but provided a courtesy vote to forward the bill pending potential challenge in the court.

Sen Boquist