

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3633

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.

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## IN THE SENATE OF THE UNITED STATES

JULY 11, 2006

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

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## 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 2006,” the “PUNT Act

1 of 2006,” or as the “Helms-Biden Reauthorization Act of  
2 2006”.

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 percent target of gross national in-  
24          come for official development assistance no later  
25          than 2015, starting with significant increases no

1 later than 2006, and reaching 0.5 percent by 2009.  
2 The increase should be front-loaded through an  
3 International Finance Facility, and other innovative  
4 sources of financing should be considered for the  
5 longer term.”

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

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

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

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

22 (32) The January 2003 proposal of the United  
23 Kingdom for an International Financing Facility,  
24 which the United Nations has endorsed, states,  
25 “There have been other proposals for new and inno-



1 vative ways to raise funds to meet these goals, in-  
2 cluding a Tobin tax, arms tax and an issue of IMF  
3 special drawing rights (SDRs).”

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

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

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

24 (36) The United Nations panel of June 10,  
25 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.<sup>7</sup> 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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