

IN THE
House of Commons



NOVEMBER 28TH · THE GENTLEMEN, LEO CAVINDER,
SUBMITS THE FOLLOWING BILL FOR
CONSIDERATION; AND REFERRED TO THE:
COMMITTEE ON RULES & REFORM

HR 38

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to

establish The Department of Revenue, house services subject to taxation, ticket fine taxation, a tax on employment, tax exemptions, tax penalty and crimes, notification of amount owed, objection process, and salaries for Members of the House.

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BE IT ENACTED by this House of Commons, in this present, assembled, and by the authority of the same, as follows:—

- 1 **SECTION 1. Title.**
- 2 This Act may be cited as “The Taxation Act”.
- 3 **TITLE I. Establishment of Department**
- 4 **of Revenue (DOR).**
- 5 **SECTION 2. Establishment.**
- 6 (a) There is hereby established an Agency of the House to
- 7 be known as The Department of Revenue (hereafter
- 8 referred to as “DOR”).
- 9 (b) There shall be at the head of the DOR a Secretary of
- 10 the Department of Revenue (hereafter referred to as the
- 11 “Secretary”), who shall be appointed by the Speaker, with
- 12 the consent of the House.

13 **SECTION 3. Objectives.**

14 The objectives of the DOR are—

- 15 (1) To maintain records of all money coming into
16 the House and being paid out;
- 17 (2) To collect taxes; and
- 18 (3) To pay roles of the House in an amount to be set
19 by the House.

20 **TITLE II. House Related Taxes (HRT).**

21 **SECTION 4. Services subject to taxation.**

22 A Member of the House shall be taxed if:

- 23 (1) They use the House provided postage meter and
24 taxed at the cost accumulated during the year plus
25 1.25%;
- 26 (2) Any fines issued that are not currently standing
27 appeal and have been outstanding for more than
28 sixty (60) days since their date of issuance at the
29 cost accumulated during the year plus 5%; and
- 30 (3) They filed any documents with the Department
31 of Commerce at the cost accumulated during the
32 year.

33 **SECTION 5. Ticket fine taxation.**

- 34 (a) Fines paid or collected under HCC § 2-1-6(d) are
35 exempt from § 4(a)(2) of this Act.
- 36 (b) Fines listed in § 4(a)(2) of this Act may be from a
37 previous year should they not have made the
38 requirements in the year they were issued.
- 39 (c) Fines that fail to be paid in one taxation year will be
40 taxed by the new amount in the subsequent taxation year.

41 **TITLE III. Employment tax.**

42 **SECTION 6. Employment tax.**

- 43 (a) A Member shall be taxed 5% if:
44 (1) they are between 16 to 20 years of age; and

45 (2) they have no active employment.
46 (b) Notwithstanding subsection (a), if they have active
47 employment, they may be taxed at 3.5%.

48 (c) A Member shall be taxed at 2% if:

49 (1) they are 21 years of age or older; and

50 (2) they have active employment.

51 (d) Notwithstanding subsection (c), if they have no active
52 employment, they may be taxed at 3.5%.

53 **SECTION 7. Amount subject to taxation.**

54 The tax rates as described in § 5 of this Act shall be:

55 (1) Amount of post taxed income if employed; or

56 (2) if not employed, \$1,000.

57 **SECTION 8. Exemption to employment tax.**

58 (a) A Member is considered exempt from employment tax
59 as described in § 5 of this Act if—

60 (1) A Member contributes \$12,550 or more to House
61 services in a year;

62 (2) A Member makes less than \$10,000 and is
63 employed under § 9(a)(1) of this Act; or

64 (3) A Member is less than 16 years of age.

65 (b) A Member may have to provide verification, at the
66 determination of DOR, to qualify for exemption.

67 (c) Exemption is only valid for one (1) tax year and must
68 be renewed should the Member still qualify for exemption.

69 **SECTION 9. Definitions.**

70 “*Employment*” is defined as someone who is employed
71 by—

72 (1) An employer who issues a W-2 Form; or

73 (2) Working for themselves in a business filed
74 under HCC 2-8-4, the business falls under the
75 Jurisdiction of the Secretary of Commerce under

76 HCC 2-8-3(a), and makes more than \$1,000 yearly
77 in profits.

78 **SECTION 10. Midyear age or employment changes.**

79 Should a Member have a change mid-year, the amounts
80 prior to the change from January 1st of the year to the
81 date of change shall be added to the date of change to
82 December 31st of the year in one form to be verified by the
83 Member.

84 **TITLE IV – Additional Provisions**

85 **SECTION 11. Tax penalty.**

86 A Member who fails to pay all the amount owe by April
87 15th shall occur a \$350 fine.

88 **SECTION 12. Notification and objections.**

89 (a) A Member shall receive within five (5) days of the new
90 year a form stating how much the Member owes from the
91 previous year. If the Member does not believe an error
92 exists, they must sign the form and sent it back to the
93 DOR.

94 (b) REQUIREMENTS.—

95 (1) The form shall serve as an acknowledgement
96 and agreement to pay the amount; and

97 (2) Even if a Member does not owe anything to
98 DOR, they must sign and return the form to DOR.

99 (b) OBJECTION PROCESS.—Should the Member believe
100 that an error exist, they must—

101 (1) Inform DOR by January 30th of the year of their
102 objection;

103 (2) DOR must provide the Member with a form that
104 shall state each charge and the amount. If the
105 Member finds no objection, they shall sign the
106 original form and return it to DOR.;

107 (3) If an objection still remains, they shall inform
108 DOR who shall inform the Office of Inspector
109 General for review;

110 (4) Should an error arise, DOR will correct the form
111 sent and re-send the form with the corrected
112 amount.

113 (c) MEMBERS RIGHTS DURING OBJECTION.—While
114 an objection exists, you have the following rights—

115 (1) DOR will not collect from you when an active
116 review or objection exists;

117 (2) You cannot be found guilty of tax evasion nor be
118 issued a tax penalty;

119 (3) You cannot be asked to sign a taxation
120 verification form; and

121 (4) You may be entitled to an extension to pay
122 should an objection be close to April 15th.

123 (d) Following the conclusion of your objections, you must
124 sign a taxation verification form within seven (7) days
125 following the conclusion of your objections.

126 **SECTION 13. Tax crimes.**

127 (a) TAX EVASION.—Anyone who purposefully avoids
128 paying taxes is guilty of tax evasion and shall have
129 committed a Class A Felony.

130 (i) DOR shall refer all suspected violations to the
131 Office of Inspector General for prosecution.

132 **SECTION 14. House salaries.**

133 (a) The Speaker of the House shall receive \$50 yearly,
134 spilt in two payments issued in May and December.

135 (b) The Clerk shall receive \$45 yearly, spilt in two
136 payments issued in May and December.

137 (c) The Chaplain, Sergeant-at-Arms, and Health Advisor
138 shall receive \$35 yearly, split in two payments issued in
139 May and December.

140 (d) All agency heads shall receive \$40 yearly, split in two
141 payments issued in May and December.

142 (e) All salaries shall be paid in check starting in May
143 2023.

144 (f) MUTIPLE ROLES.—Should a Member have multiple
145 roles, the amounts shall only be added if they are in
146 different pay grades. If both roles are in the same pay
147 grade, they shall only be paid that respective pay grade as
148 if they were in one role.

149 **SECTION 15. Borrowing money.**

150 (a) Should DOR not have the funds necessary to pay
151 salaries, they shall offer IOUs to Members of the House.

152 (b) IOUs shall allow Members to pay \$25 to \$75 dollars to
153 DOR in exchange for a tax credit.

154 (c) “*Tax credit*” shall mean the amount given to DOR shall
155 be subtracted from the amount the Member owes. If any
156 amount remains, DOR will pay the Member as necessary
157 for the amount of money borrowed within two (2) years.

158 **SECTION 16. Management.**

159 The Clerk, in coordination with DOR, shall manage the
160 process of collecting taxes and documentation which shall
161 permit the creation of forms to be completed by Members.

Speaker of the House Assent