



# Jackson County Missouri

Jackson County Courthouse  
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## Legislation Details (With Text)

**File #:** 21627      **Version:** 0      **Name:** Puerto Rico Tax Act  
**Type:** Resolution      **Status:** Passed  
**File created:** 5/15/2024      **In control:** County Legislature  
**On agenda:** 5/20/2024      **Final action:** 5/20/2024  
**Title:** A RESOLUTION urging Congress to close the Act 22 tax loophole to ensure equity and fairness for residents of Puerto Rico.  
**Sponsors:** Manuel Abarca IV  
**Indexes:** PUERTO RICO, TAX, U.S. CONGRESS  
**Code sections:**  
**Attachments:** 1. 21627adopted.pdf

Date	Ver.	Action By	Action	Result
5/20/2024	0	County Legislature	adopt	Pass

### IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

**A RESOLUTION** urging Congress to close the Act 22 tax loophole to ensure equity and fairness for residents of Puerto Rico.

**RESOLUTION NO. 21627**, May 20, 2024

**INTRODUCED BY** Manuel Abarca IV, County Legislator

WHEREAS, since 2012, Puerto Rico has provided tax incentives to investors primarily mainland Americans, allowing them to pay no taxes on interest, dividends, or capital gains upon relocating to the commonwealth; and,

WHEREAS, these tax incentives were initially intended to promote economic growth and investment in Puerto Rico; and,

WHEREAS, a decade later, evidence from an Internal Revenue Service investigation indicates

misuse of these incentives, leading to growing frustrations among Puerto Ricans due to the apparent favoritism; and,

WHEREAS, despite the influx of investors, there is limited evidence of trickle-down benefits for the broader Puerto Rican economy, as reported by the Washington Post on September 22, 2023; and,

WHEREAS, such misuse undermines the intent of the tax incentives, potentially displacing local residents and causing significant economic disparities; now therefore,

BE IT RESOLVED by the County Legislature of Jackson County, Missouri that the Legislature hereby urges the United States Congress to take immediate action to clarify and amend the United States tax code to prevent the misuse of Puerto Rican tax incentives; and,

BE IT FURTHER RESOLVED that any amendments to the tax code should preserve the original intent of promoting economic growth in Puerto Rico while preventing potential misuse and addressing the negative economic impacts on the local population; and,

BE IT FURTHER RESOLVED that the County Legislature encourages collaboration between federal, state, and local governments, as well as with Puerto Rican authorities to ensure that tax policies are fair, transparent, and effective; and,

BE IT FURTHER RESOLVED by the County Legislature that the public should be educated about the proper use of tax incentives and the potential consequences of misuse; and,

BE IT FURTHER RESOLVED that a copy of this resolution be sent to local Congressional representatives, the Speaker of the House, the Senate Majority Leader, and other relevant stakeholders.

Effective Date: This Resolution shall be effective immediately upon its passage by a majority of the Legislature.

APPROVED AS TO FORM:

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County Counselor

Certificate of Passage

I hereby certify that the attached resolution, Resolution No. 21627 of May 20, 2024, was duly passed on May 20, 2024 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 5

Nays 0

Abstaining 3

Absent 1

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mary Jo Spino, Clerk of Legislature