Resolution to Repeal the Federal Unified Gift and Estate Tax

Summary
The Federal Unified Gift and Estate Tax, or the “Death Tax” has been identified as destructive to job opportunity and expansion. The “Death Tax” generates only a minimal amount of Federal Revenue, yet enormous dollars are spent in collecting and administering these taxes and in useless lawyers’ and accountants’ time and expense as people try to avoid this punitive “double tax.” In order to pay the taxes, heirs must sell family businesses. The Economic Growth and Tax Relief Reconciliation Act of 2001 gradually phased out the federal estate tax rate, with a complete repeal scheduled for 2010. However, in 2011 the “Death Tax” comes back to life at a 55 percent rate. This resolution calls upon the U.S. Congress to permanently repeal the Federal Unified Gift and Estate Tax.

Model Resolution

WHEREAS, the Federal Unified Gift and Estate Tax generates a minimal amount of Federal Revenue especially considering the high cost of collection and compliance; and

WHEREAS, this “Death Tax” has been identified as destructive to job opportunity and expansion, especially to family farmers and minority entrepreneurs; and

WHEREAS, this “Death Tax” causes severe hardship to growing family businesses and family farming operations often to the point of partial or complete forced liquidation thereby depriving state and local Governments of an important ongoing source of revenue; and

WHEREAS, critical state and local leadership assets are unnecessarily destroyed and forever lost to the future detriment of the community through relocation or liquidation; and

WHEREAS, local and state schools, churches and numerous other charitable activities would greatly benefit from the increased employment and continued family business leadership; and

WHEREAS, a majority of Americans consistently find the “Death Tax” to be the “most unfair” of all taxes and therefore favor total repeal of the tax; and

WHEREAS, the “Death Tax” is scheduled to be completely phased out in 2010, only to revert back to a confiscatory 55 percent rate in 2011;

NOW THEREFORE BE IT RESOLVED that the legislature of (state), both houses thereof concurring, requests that the Congress of the United States permanently repeal the Federal Unified Gift and Estate Tax (citation) effective immediately.
BE IT FURTHER RESOLVED, that the Clerk of both Houses of the Legislature transmit certified copies of this Joint Resolution to the President of the United States, the Speaker of the United States House of Representatives, to the President of the United States Senate, to the Secretary of the Treasury of the United States and to each member of Congress of the United States.