Resolution Urging Congress to Aid State Tax Reform

Summary
A concurrent resolution encouraging the President of the United States to support and the Congress of the United States to enact legislation allowing the deduction from federal income taxes under Section 164 of the Internal Revenue Code of all or part of a fee or other charge imposed by a state in place of state and local property or income taxes as part of a restructuring of a statewide taxation system. Absent such a measure, many citizens in states that adopt tax restructuring could see their federal tax burden increased.

Model Legislation
WHEREAS, under section 164 of the Internal Revenue Code, state and local real property, personal property, and income taxes are deductible as itemized deductions from federal income taxes;
WHEREAS, many states, including [Insert Name], are considering restructuring their state systems of taxation;
WHEREAS, restructuring a statewide taxation system might include the replacement of state and local property or income taxes with fees or other charges;
WHEREAS, a fee or other charge or the part of a fee or charge that, as part of a restructuring of a statewide taxation system, a state imposes to replace state and local property or income taxes should likewise be deductible under Section 164 of the Internal Revenue Code as itemized deductions from federal income taxes.

THEREFORE, be it resolved that the state of [Insert Name] calls upon the President of the United States to support and the Congress of the United States to enact legislation allowing the deduction from federal income taxes under Section 164 of the Internal Revenue Code of all or part of a fee or other charge imposed by a state in place of state and local property or income taxes as part of a restructuring of a statewide taxation system.