

5-4/9/02 Do Pass
5-4/12/02 Adopted

RULES & ADMINISTRATION

FILED APR 8 2002

SENATE RESOLUTION NO. 152

BY MCKIBBEN

A Resolution requesting Iowa's congressional delegation to work to permanently repeal the federal death tax.

WHEREAS, under federal tax relief legislation passed in 2001, the death tax was temporarily phased out, not permanently eliminated; and

WHEREAS, women and minorities are very often owners of small and medium-sized businesses, and the death tax prevents their children from reaping the rewards of a lifetime trying to make a better life; and

WHEREAS, farmers will face losing their farms if the federal government resumes the heavy taxation of the estates of people who invested most of their earnings back into their farms; and

WHEREAS, employees suffer when they lose their jobs because many small and medium-sized businesses are liquidated to pay death taxes and because high capital costs depress the number of new businesses that could offer them a job; and

WHEREAS, it has been estimated that if the federal estate tax had been repealed in 1996, over the next nine years the United States economy would have averaged as much as \$11 billion per year in extra output, and an average of one hundred forty-five thousand additional new jobs would have been created; and

WHEREAS, the persistent uncertainty created by the federal sunset provision prevents families and small businesses from taking advantage of the repeal; and

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1 WHEREAS, having passed both the United States House
2 of Representatives and the United States Senate,
3 elimination of the death tax has proven to hold wide
4 bipartisan support; NOW THEREFORE,

5 BE IT RESOLVED BY THE SENATE, That the Iowa Senate
6 requests Iowa's elected representatives in the United
7 States Congress to support, work to pass, and vote for
8 the permanent repeal of the death tax.

9 BE IT FURTHER RESOLVED, That copies of this
10 Resolution be sent to the members of Iowa's
11 congressional delegation.

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