



HM 0009D

2003

House Memorial

A memorial to the Congress of the United States urging Congress to reinstate the federal income tax deduction for state and local sales taxes paid.

WHEREAS, prior to 1986, American taxpayers were allowed to deduct state and local taxes paid from their federal income tax liabilities, and

WHEREAS, the Tax Reform Act of 1986 repealed this deduction while it retained the deductibility of state and local income taxes, and

WHEREAS, the elimination of the deduction for payment of state and local sales taxes created a fundamental disparity adversely affecting citizens of Florida and six other states that do not levy a personal income tax, and

WHEREAS, while citizens in the 43 other states continue to deduct state and local income taxes, thereby reducing their federal income tax liability, taxpayers in Florida and six other states have no corresponding tax deduction, and

WHEREAS, in addition to fostering the inequitable treatment of individual taxpayers, this disparity also has worked against the states whose tax structure has no general individual income tax and relies heavily on sales taxes, and

WHEREAS, reinstating the deductibility of state and local sales taxes on federal income tax returns could generate substantial benefits for Florida's families and the state's economy, and

WHEREAS, as a matter of equity and fairness, Floridians and the citizens of other states that finance their budgets without an income tax deserve to benefit from federal income tax



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31 deductions comparable to those already enjoyed by the majority
32 of United States taxpayers, and

33 WHEREAS, allowing taxpayers to deduct either their state
34 and local income tax or state and local sales taxes paid in a
35 given year would restore equity and fairness across the states,
36 and

37 WHEREAS, federal legislation that reinstates the
38 deductibility of state and local sales taxes is currently before
39 the Congress, NOW, THEREFORE,

40
41 Be It Resolved by the Legislature of the State of Florida:

42
43 That the Congress of the United States is respectfully
44 requested to reinstate the federal income tax deduction for
45 state and local sales taxes paid.

46 BE IT FURTHER RESOLVED that copies of this memorial be
47 dispatched to the President of the United States, to the
48 President of the United States Senate, to the Speaker of the
49 United States House of Representatives, and to each member of
50 the Florida delegation to the United States Congress.