

Reps. Meltzer, Garfield, Rick Jones, Robertson, Booher, Marleau, Moss, Pavlov, Agema, Palsrok, Hoogendyk, Horn, Pastor, Amos and Gaffney offered the following resolution:

House Resolution No. 236.

A resolution to memorialize the Congress of the United States to enact an Alternative Minimum Tax "patch" to protect taxpayers.

Whereas, The Alternative Minimum Tax (AMT) was created in 1969 to help assure that a very small group of wealthy taxpayers could not take unfair advantage of the federal tax code. It was designed to kick in if excess credits and deductions resulted in these few taxpayers not paying their fair share of taxes. When the AMT was created, however, it was not indexed to the cost of living in any way. This has produced grossly distorted results over the course of the nearly four decades since it was adopted; and

Whereas Indeed, an estimated 19.9 million more wage earners could be subject to the Alternative Minimum Tax this year alone if action is not taken immediately. In addition, if the tax reform package is not adopted the average taxpayer with children would see their taxes raised by \$500 per child, a family of four making \$60,000 would face an average tax increase of \$1,880 a year, approximately 26 million business owners would see an average tax increase of more than \$4,000 per year, and 5 million low-income taxpayers who currently pay no taxes would now be forced to pay taxes; and

Whereas, Our tax code is founded on principles of horizontal and vertical equity, ease of compliance, and, above all, fairness. The Alternative Minimum Tax violates each and every one of these long-standing tenets of sound tax policy. The middle class now bears most of the burden of the AMT, and year after year the tax traps more and more innocent taxpayers. It is estimated that, by the year 2010, every family making more than \$75,000 will be punished with the AMT's extra tax penalty; and

Whereas, Congress has periodically "patched" the Alternative Minimum Tax by adjusting the tax's triggers. Although this incremental approach to the problem only affords temporary tax relief, it can be used as an important start to a long-term solution to address a problem that only promises to continue to go on unchecked. Clearly, without immediate tax relief from this onerous tax, the taxpayers of Michigan would face a double-hit in light of the recent hike in the Michigan income tax; now, therefore, be it

Resolved by the House of Representatives, That we hereby urge the Congress of the United States to enact an Alternative Minimum Tax "patch" to protect taxpayers; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.