

Reps. Kowall, Agema, Barnett, Booher, Caul, Crawford, Dean, DeShazor, Geiss, Genetski, Haines, Hammel, Rick Jones, Kurtz, Lemmons, Lori, Marleau, McMillin, Meekhof, Rocca, Rogers, Wayne Schmidt, Sheltroun, Tyler and Valentine offered the following resolution:

**House Resolution No. 49.**

A resolution to memorialize the Congress of the United States to enact H.R. 155, the Suspension of Federal Income Tax on Unemployment Benefits Act of 2009.

Whereas, Our nation's system of unemployment insurance was established in 1936 to lighten the burden of involuntary unemployment on the unemployed worker and the worker's family. With Michigan leading the nation with the highest unemployment rate, currently 11.6 percent, the burden of involuntary unemployment impacts us all. Indeed, with the unemployment rate at the highest we have seen since the early 1980s, families and businesses all across the Great Lakes State have been devastated by the forces of our ravaged economy; and

Whereas, The current recession is wider and deeper than any our nation has experienced since the Great Depression. Even those with previously recession-proof jobs find themselves losing them and filing for unemployment. To add insult to injury, these benefits are now subject to federal taxes. Those who are barely scraping by from week to week on unemployment benefits will find themselves subject to a huge and often unexpected tax bill on April 15, because federal taxes are not withheld from their benefit checks; and

Whereas, Unemployment benefits became taxable in association with the 1986 reforms in the federal tax code. In a period of relative prosperity, this change was viewed as a painless way of paying for the many tax reductions in the reforms. Now, however, the inequity, and utter absurdity, associated with taxing unemployment benefits is clear cut. Those who have lost their jobs through no fault of their own should not be additionally burdened by our tax code. This is recognized in Michigan by the provision of a special exemption for taxpayers with more than 50 percent of their income from unemployment, and by the recent stimulus package, which exempts the first \$2,400 of unemployment from 2009 taxes. These measures do not go far enough considering today's economic realities. We need to offer substantive tax relief; now, therefore, be it

Resolved by the House of Representatives, That we hereby memorialize the Congress of the United States to enact H.R. 155, the Suspension of Income Tax on Unemployment Benefits Act of 2009; 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.