

Reps. Bieda, Miller, Condino, Wojno, Byrnes, Corriveau, Meisner and Accavitti offered the following resolution:

House Resolution No. 235.

A resolution to memorialize the Congress of the United States to enact the Temporary Tax Relief Act of 2007 to deal with the Alternative Minimum Tax.

Whereas, The federal Alternative Minimum Tax was designed to help assure that wealthy taxpayers who took advantage of a number of tax credits and exemptions to escape paying taxes paid at least a minimum of their fair share of income taxes. Over the course of time, however, the target of the Alternative Minimum Tax has been misdirected away from those sheltering their income to the middle class taxpayer. This is largely due to the fact that the tax was never indexed for inflation; and

Whereas, Indeed, 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, 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 tax reform 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 \$1,800 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, Moreover, for this tax year, taxpayers may be subject to the Alternative Minimum Tax if their regular taxable income exceeds \$62,550 unless the current income thresholds in the Internal Revenue Code are changed. Indeed, the "tax preference items" that trigger the Alternative Minimum Tax are far from tax shelters for the well-heeled. They include the personal exemption, the itemized deductions for property tax and state and local taxes, as well as the deduction for extraordinary medical expenses. Clearly, the Alternative Minimum Tax has more than earned its reputation as being nothing more than a stealth tax on the middle class; 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, Legislation currently before Congress would bring much-needed relief to the many middle class taxpayers ensnared by the Alternative Minimum Tax. The Temporary Tax Relief Act of 2007 (H.R. 3996), is designed to help stem the inflationary tide of the Alternative Minimum Tax. This measure should be enacted before countless more taxpayers are caught in the grasp of the Alternative Minimum Tax; now, therefore, be it

Resolved by the House of Representatives, That we hereby memorialize the Congress of the United States to enact the Temporary Tax Relief Act of 2007 to deal with the Alternative Minimum Tax; 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.