

## **Resolution in Support of H.R. 946 – The Stop the Attack Local Taxpayers Act**

**WHEREAS**, each provision of the Federal Tax Code, which is incredibly complex, was enacted for a reason. While some of those reasons may no longer serve the public's interest, others remain fair and effective tools that promote the general welfare; and

**WHEREAS**, the deduction for state and local taxes (SALT) has been a feature of the tax code for more than 100 years. In 1913, the first federal income tax form allowed taxpayers to deduct state and local taxes, one of only six deductions allowed at the time; and

**WHEREAS**, a federal tax reform law passed in 2017 capped the deductibility of state and local taxes at \$10,000 forcing double taxation for residents that pay in excess of that amount, as well as harm to states and communities that rely on tax payments that support public services which benefit all citizens, such as K-12 schools, law enforcement and public safety, transportation and infrastructure, and vital community and public health services; and

**WHEREAS**, New Jersey 9<sup>th</sup> District Congressman Bill Pascrell has introduced H.R. 946 the Stop the Attack on Local Taxpayers (SALT) Act, which eliminates the \$10,000 cap on property tax deduction and retroactively removes the cap; and

**WHEREAS**, taxpayers in all 50 states benefit from the SALT deduction that is claimed by taxpayers of all income levels; and

**WHEREAS**, the deduction is especially important for middle-income homeowners, as fifty percent of the deductions claimed by taxpayers making \$50,000 to \$100,000 are for property taxes; and

**WHEREAS**, the SALT deduction does not unfairly benefit taxpayers in high tax states. To the contrary, low tax states are generally more dependent on the federal government, receiving more in federal funding than they pay in federal taxes. According to one study, New Jersey, New York, and Illinois are among the states that receive less than \$1 from the federal government for every \$1 paid in federal taxes;

**NOW, THEREFORE, BE IT RESOLVED**, that the governing body of the [*Insert Name of Municipality*], supports the full tax deductibility outlined in H.R. 946 and urges all members of the New Jersey Congressional Delegation as well as all members of congress to support the SALT Act, with voice and vote, to restore the fair and reasonable SALT deductibility provision from the Federal Tax Code; and,

**BE IT FURTHER RESOLVED** that copies of this resolution be forwarded to (Insert name of Congressional representative), Senators Booker and Menendez, President Joe Biden and the New Jersey State League of Municipalities.