



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

April 17, 2001

Motion 11173

Proposed No. 2001-0189.1

Sponsors Sullivan, Phillips, Nickels,
Gossett, Pelz, Hague, von
Reichbauer, Miller, McKenna,
Irons, Thomas and Fimia

1 A MOTION requesting the United States Congress to
2 amend the Internal Revenue Code of 1986 to restore the
3 deduction of state sales taxes in lieu of state and local
4 income taxes; providing a fair federal income tax structure
5 for the people of Washington, Florida, Nevada, South
6 Dakota, Tennessee, Texas and Wyoming.

7
8
9 WHEREAS, The federal tax reform act of 1986 unfairly penalized the taxpayers
10 of King County and the State of Washington by eliminating the state retail sales tax
11 deduction in the calculation of federal income taxes owed, and

12 WHEREAS, since 1986 federal law has allowed taxpayers in over forty states to
13 deduct their state income tax from their federal tax return, but does not allow the
14 deduction of state sales taxes for those residents of states without an income tax,
15 including Washington, Florida, Nevada, South Dakota, Tennessee, Texas and Wyoming,
16 and

17 WHEREAS, two families with the same salary and identical financial profiles are
18 taxed differently under the federal tax code simply because they live in different states;
19 and

20 WHEREAS, nine hundred ninety-seven thousand six hundred working men and
21 women living in King County pay disproportionately higher federal income taxes than
22 similar families across America, because King County residents are not able to deduct
23 Washington State sales taxes from their federal income tax returns, and

24 WHEREAS, with the restoration of the retail sales tax deduction, taxpayers of
25 King County would realize substantial savings, estimated at five hundred dollars per year
26 per family in their federal income taxes, with a total savings to Washington State
27 taxpayers estimated at four hundred seventy million dollars annually; and

28 WHEREAS, in real dollars, the cost of tax equity for the people of Washington,
29 Florida, Nevada, South Dakota, Tennessee, Texas and Wyoming would cost the federal
30 government twenty-three billion one hundred million dollars over ten years, an
31 insignificant amount compared to the nine hundred billion to one trillion six hundred
32 million-dollar federal tax cut now being debated by Congress, and

33 WHEREAS, the restoration of the sales tax deduction is one of the highest
34 legislative priorities of the National Conference of State Legislatures, and

35 WHEREAS, Congress is in the process of considering tax reduction and tax equity
36 proposals which restore the itemized deduction for state sales taxes for residents of
37 Washington and six other states;

38 NOW, THEREFORE, BE IT MOVED by the Council of King County:

39 The King County council respectfully represents and petitions to the Honorable
40 George W. Bush, President of the United States, and to the President of the Senate and the
41 Speaker of the House of Representatives, and the Senate and House of Representatives of
42 the United States in Congress assembled, that Congress amend the Internal Revenue Code
43 of 1986 to allow a deduction of state sales taxes in lieu of state and local income taxes.
44 The metropolitan King County council supports legislation before the United States
45 Congress, such as H.R. 322 and S. 291, which would restore tax equity to the fifty-two
46 million residents of Washington, Florida, Nevada, South Dakota, Tennessee, Texas and
47 Wyoming by allowing the taxpayers of these states to deduct their state sales taxes in lieu
48 of state and local income taxes on their federal income tax return, and

49 BE IT FURTHER MOVED by the Council of King County:

50 The King County executive and intergovernmental relations staff shall
51 immediately consult with each member of Congress from the State of Washington and
52 advise them of King County's support for amendments to the Internal Revenue Code of
53 1986 which restore the deduction of Washington State sales taxes in lieu of state and
54 local income taxes, providing a fair federal income tax structure for the people of King
55 County and throughout the State of Washington;

56 Washington

- 57 Hon. U.S. Senator Patty Murray (D)
58 Hon. U.S. Senator Maria Cantwell (D)
59 Hon. U.S. Representative Brian Baird (D)
60 Hon. U.S. Representative Norm Dicks (D)
61 Hon. U.S. Representative Jennifer Dunn (R)

62 Hon. U.S. Representative Doc Hastings (R)

63 Hon. U.S. Representative Jay Inslee (D)

64 Hon. U.S. Representative Jim McDermott (D)

65 Hon. U.S. Representative Jack Metcalf (R)

66 Hon. U.S. Representative George Nethercutt (R)

67 Hon. U.S. Representative Adam Smith (D)

68 The King County executive and intergovernmental relations staff are also
69 requested to express King County's support for amendments to the Internal Revenue
70 Code of 1986 to restore the deduction of state sales taxes in lieu of state and local income
71 taxes, with congressional delegates from those states similarly affected, including
72 Florida, Nevada, South Dakota, Tennessee, Texas and Wyoming.

73 **Florida**

74 Hon. U.S. Senator Bob Graham (D)

75 Hon. U.S. Senator Bill Nelson (D)

76 Hon. U.S. Representative Michael Bilirakis (R)

77 Hon. U.S. Representative F. Boyd (D)

78 Hon. U.S. Representative Corrine Brown (D)

79 Hon. U.S. Representative Charles Canady (R)

80 Hon. U.S. Representative James Davis (D)

81 Hon. U.S. Representative Peter Deusch (D)

82 Hon. U.S. Representative Lincoln Diaz-Balart (R)

83 Hon. U.S. Representative Mark Foley (R)

84 Hon. U.S. Representative Tillie Fowler (R)

- 85 Hon. U.S. Representative Porter Goss (R)
- 86 Hon. U.S. Representative Alcee Hastings (D)
- 87 Hon. U.S. Representative Bill McCollum (R)
- 88 Hon. U.S. Representative Carrie Meek (D)
- 89 Hon. U.S. Representative John Mica (R)
- 90 Hon. U.S. Representative Dan Miller (R)
- 91 Hon. U.S. Representative Ileana Ros-Lehtinen (R)
- 92 Hon. U.S. Representative Joe Scarborough (R)
- 93 Hon. U.S. Representative E. Shaw (R)
- 94 Hon. U.S. Representative Clifford Stearns (R)
- 95 Hon. U.S. Representative Karen Thurman (D)
- 96 Hon. U.S. Representative Dave Weldon (R)
- 97 Hon. U.S. Representative Robert Wexler (D)
- 98 Hon. U.S. Representative C. Young (R)

99 **Nevada**

- 100 Hon. U.S. Senator Charles Hagel (R)
- 101 Hon. U.S. Senator Ben Nelson (D)
- 102 Hon. U.S. Representative Shelly Berkley (D)
- 103 Hon. U.S. Representative Jim Gibbons (R)

104 **South Dakota**

- 105 Hon. U.S. Senator Thomas Daschle (D)
- 106 Hon. U.S. Senator Tim Johnson (D)
- 107 Hon. U.S. Representative John Thune (R)

108 Tennessee

- 109 Hon. U.S. Senator William Frist (R)
- 110 Hon. U.S. Senator Fred Thompson (R)
- 111 Hon. U.S. Representative Ed Bryant (R)
- 112 Hon. U.S. Representative Bob Clement (D)
- 113 Hon. U.S. Representative John Duncan (R)
- 114 Hon. U.S. Representative Harold Ford (D)
- 115 Hon. U.S. Representative Bart Gordon (D)
- 116 Hon. U.S. Representative Van Hilleary (R)
- 117 Hon. U.S. Representative William Jenkins (R)
- 118 Hon. U.S. Representative John Tanner (D)
- 119 Hon. U.S. Representative Zach Wamp (R)

120 Texas

- 121 Hon. U.S. Senator Phil Gramm (R)
- 122 Hon. U.S. Senator Kay Bailey Hutchison (R)
- 123 Hon. U.S. Representative Bill Archer (R)
- 124 Hon. U.S. Representative Richard Armey (R)
- 125 Hon. U.S. Representative Joe Barton (R)
- 126 Hon. U.S. Representative Ken Bentsen (D)
- 127 Hon. U.S. Representative Henry Bonilla (R)
- 128 Hon. U.S. Representative Kevin Brady (R)
- 129 Hon. U.S. Representative Larry Combest (R)
- 130 Hon. U.S. Representative Tom DeLay (R)

- 131 Hon. U.S. Representative Lloyd Doggett (D)
- 132 Hon. U.S. Representative Chet Edwards (D)
- 133 Hon. U.S. Representative Martin Frost (D)
- 134 Hon. U.S. Representative Charlie Gonzalez (D)
- 135 Hon. U.S. Representative Kay Granger (R)
- 136 Hon. U.S. Representative Gene Green (D)
- 137 Hon. U.S. Representative Ralph Hall (D)
- 138 Hon. U.S. Representative Ruben Hinojosa (D)
- 139 Hon. U.S. Representative Sheila Jackson-Lee (D)
- 140 Hon. U.S. Representative Sam Johnson (R)
- 141 Hon. U.S. Representative Eddie Johnson (D)
- 142 Hon. U.S. Representative Nick Lampson (D)
- 143 Hon. U.S. Representative Solomon Ortiz (D)
- 144 Hon. U.S. Representative Ron Paul (R)
- 145 Hon. U.S. Representative Silvestre Reyes (D)
- 146 Hon. U.S. Representative Ciro Rodriguez (D)
- 147 Hon. U.S. Representative Max Sandlin (D)
- 148 Hon. U.S. Representative Pete Sessions (R)
- 149 Hon. U.S. Representative Lamar Smith (R)
- 150 Hon. U.S. Representative Charles Stenholm (D)
- 151 Hon. U.S. Representative William Thornberry (R)
- 152 Hon. U.S. Representative Jim Turner (D)

153 Wyoming

154 Hon. U.S. Senator Mike Enzi (R)

155 Hon. U.S. Representative Barbara Cubin (R)

156 The King County Executive and intergovernmental relations staff are further
157 requested to provide copies of this motion to the Honorable George W. Bush, President
158 of the United States; the President of the United States Senate, the Hon. Richard B.

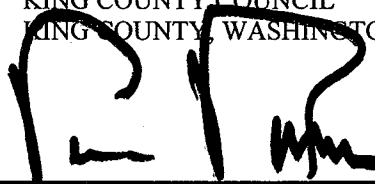
Motion 11173

159 Cheney; and to Hon. J. Dennis Hastert, the Speaker of the United States House of
160 Representatives.
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Motion 11173 was introduced on 3/26/01 and passed by the Metropolitan King County Council on 4/16/01, by the following vote:

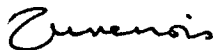
Yes: 12 - Mr. von Reichbauer, Ms. Miller, Ms. Fimia, Mr. Phillips, Mr. Pelz,
Mr. McKenna, Ms. Sullivan, Mr. Nickels, Mr. Pullen, Mr. Gossett, Ms.
Hague and Mr. Thomas
No: 0
Excused: 1 - Mr. Irons

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Pete von Reichbauer, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments None