

Senators Kuipers, Thomas, Cropsey, Brown, Van Woerkom, Jelinek, Hardiman, Jansen, Allen, Richardville and Cassis offered the following resolution:

Senate Resolution No. 170.

A resolution to memorialize the Congress of the United States to extend the moratorium on the federal estate tax.

Whereas, The estate or "death" tax has long been considered one of our nation's most onerous taxes. In many cases, it taxes the same income twice, and more importantly, it commonly targets the small family-owned businesses and family farms that are the centerpiece of our local economies. Indeed, it had been estimated that because of the death tax, nearly 70 percent of family businesses do not survive the second generation, and up to 87 percent do not get passed on to a third generation; and

Whereas, Clearly, the death tax violates all of the principles of fair and equitable tax policy. In light of this inequity inherent in the death tax, the United States Congress temporarily phased out the tax under tax relief legislation adopted in 2001. The death tax was not abolished, however, and it is scheduled to return in 2011 at pre-2001 tax rates. This has significant implications for states such as Michigan whose inheritance taxes are predicated on the federal imposition; and

Whereas, The death tax's return from the grave will have a devastating impact on a Michigan economy that is struggling to recover from the great recession and the near collapse of our domestic auto industry. Congress must take action now to extend the moratorium. Failure to act could have devastating effects; now, therefore, be it

Resolved by the Senate, That we hereby memorialize the Congress of the United States to extend the moratorium on the federal estate 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.