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AMENDMENT TO H. CON. RES. 312
OFFERED BY MR. BRADY OF TEXAS

At the end of title VI, add the following new section:

SEC. ___. SENSE OF CONGRESS ON MAKING THE SALES TAX DEDUCTION PERMANENT.

(a) FINDINGS.—Congress finds the following:

(1) Before 1986, the tax code permitted for the deduction of State sales taxes.

(2) Residents of "income tax States" are allowed to deduct their State income taxes from their Federal tax returns.

(3) Residents of "non-income tax States"—States that principally rely on the sales tax—are unable to deduct their State sales taxes on their Federal tax returns.

(4) Seven U.S. States—Florida, Nevada, South Dakota, Tennessee, Texas, Washington, and Wyoming—collect no State income tax from its taxpayers and instead draw revenue from sales taxes.

(5) Taxpayers in States without an income tax end up paying more to the Federal Government than a taxpayer with an identical profile in a different State.

1 (6) Congress restored the sales tax deduction in
2 the American Jobs Creation Act of 2004, but the ex-
3 tension expired on December 31, 2007.
4 (7) Congress should make the State sales tax
5 deduction permanent to give taxpayers confidence
6 that they will be able to deduct their sales taxes
7 from year to year.
8 (8) The sales tax deduction is supported by
9 countless individuals and organizations throughout
10 the country, including the National Conference of
11 State Legislators and the Governors from each of
12 the sales tax States.
13 (9) American families and taxpayers in sales
14 tax only States will experience a tax increase for
15 2008 and every subsequent year if Congress does
16 not make the sales tax permanent.
17 (b) SENSE OF CONGRESS.—It is the sense of the
18 Congress that the State Sale Tax Deduction should be
19 made permanent.