

Introduced: 3/29/68
Referred: Rules

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 HOUSE JOINT RESOLUTION NO. 84

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 Relating to the Department of Treasury's
6 rulings imposing a nonexempt status of
7 financing for industrial development
8 under section 103 of the Internal
9 Revenue Code.

10 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 WHEREAS the United States Department of Treasury has, by issuance of
12 Revenue Rulings 54-106, C.B. 1954-1, 28; 57 - 87, C.B. 1957-1, 65 and
13 63-20, C.B. 1963-1, 24, struck a potentially fatal blow to state industrial
14 development; and

15 WHEREAS these revenue rulings constitute a reconsideration of the
16 Department of Treasury's position on the current tax exempt status of in-
17 dustrial development financing under sec. 103 of the Internal Revenue Code;
18 and

19 WHEREAS this action will adversely affect future industrial development
20 in this state and materially reduce reliance upon private and local capital
21 for industrial development within this state and force greater dependence
22 upon federal funds for this purpose, and is in direct opposition to the
23 Johnson Administration's endeavor to reduce unemployment; and

24 WHEREAS these rulings not only arbitrarily affect the rights and func-
25 tions of the government of a free people but constitute an arbitrary
26 usurpation and invasion of powers by an agency which rightfully belongs to
27 Congress as a matter of public policy;

28 BE IT RESOLVED that the Legislature respectfully requests that the
29 United States Congress invoke its rightful power to determine a question of

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1 public policy and nullify the recent rulings of the Department of Treasury
2 by which tax exempt status under sec. 103 of the Internal Revenue Code is
3 removed from financing of industrial development programs.

4 COPIES of this Resolution shall be sent to The Honorable E.L. Bartlett
5 and The Honorable Ernest Gruening, U.S. Senators, and The Honorable Howard
6 W. Pollock, U.S. Representative, members of the Alaska delegation in Congress.

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