

1 IN THE SENATE

BY JOSEPHSON

2 SENATE JOINT RESOLUTION NO. 43

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 Relating to federal taxation of air
6 travel by state personnel on official
7 state business.

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

9 WHEREAS under legislation enacted by the Congress of the United States,
10 since July 1, 1970, it has been impossible for state personnel on official
11 business to claim exemption from the eight per cent federal tax on domestic
12 air travel or the \$3 "head" or "gateway" tax on international travel, which
13 affects travel between Alaska and the rest of the United States; and

14 WHEREAS it is long-standing constitutional doctrine that states may
15 not tax federal instrumentalities; and

16 WHEREAS the requirement that the tax be paid on official state air
17 travel constitutes, in effect, a federal tax on state sovereignty and is a
18 serious financial burden on Alaskans who are totally dependent on air travel
19 to perform essential governmental services for, and maintain communications
20 with, the people of this state throughout its far-flung territory, as well
21 as to maintain close contact, with the federal government in Washington,
22 D. C., and the other states; and

23 WHEREAS it should be the policy of the federal government to reduce
24 the cost of state government thus lightening the burden of state taxpayers
25 rather than increasing it; and

26 WHEREAS it has come to the attention of the Legislature that other
27 states are contending that the failure to exempt travel by state personnel
28 on official business from this tax is unconstitutional and have filed suit
29 to determine the validity of this assertion;

1 BE IT RESOLVED that the Alaska State Legislature requests the United
2 States Congress to amend federal law reinstating the exemption from the
3 federal tax on domestic and international air travel for state personnel
4 on official state business; and be it

5 FURTHER RESOLVED that the Governor is respectfully requested to direct
6 the Attorney General of the State of Alaska to join with other jurisdictions
7 in challenging the constitutionality of the federal tax on air travel as
8 applied to state personnel on official business and to file suit to recover
9 the funds expended by the State of Alaska in payment of this tax since
10 July 1, 1970.

11 COPIES of this Resolution shall be sent to the Honorable Richard M.
12 Nixon, President of the United States; the Honorable John Connally, Secretary,
13 Department of the Treasury; the Honorable Randolph W. Thrower, Commissioner,
14 Internal Revenue Service; the Honorable Ted Stevens and the Honorable Mike
15 Gravel, U.S. Senators, and the Honorable Nick Begich, U.S. Representative,
16 members of the Alaska delegation in Congress.
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