

Introduced: 2/17/78
Referred: Rules

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE JOINT RESOLUTION NO. 45

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to proposed Internal Revenue
6 Service regulations relating to state
7 deferred compensation plans and sup-
8 porting H.R. 10746.

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

10 WHEREAS H.R. 10746, a bill which would limit the types of changes the
11 Internal Revenue Service is proposing for the tax status of deferred com-
12 pensation plans for employees of state and local governments, is pending
13 before the United States Congress; and

14 WHEREAS the limitation in H.R. 10746 would prohibit the Internal Revenue
15 Service from making changes in currently approved plans; and

16 WHEREAS proposed amendments to regulations of the Internal Revenue
17 Service would provide that if a taxpayer chooses to have payment of some
18 portion of his current compensation or an amount of an increase in compensa-
19 tion deferred and paid in a later year, the amount will nevertheless be
20 treated as received by the taxpayer in the earlier taxable year; and

21 WHEREAS these proposed regulations would affect employees of the State
22 of Alaska by vitiating the state's deferred compensation plan; and

23 WHEREAS the state's deferred compensation plan is a supplement to the
24 state retirement program and many employees of the state have relied on the
25 deferred compensation plan in planning their retirement; and

26 WHEREAS the opportunity for reasonable retirement which allows a retired
27 employee to live with dignity is an essential part of the state's deferred
28 compensation plan;

29 BE IT RESOLVED by the Alaska State Legislature that it strongly supports

1 H.R. 10746 and urges the Congress of the United States to expedite passage of
2 this proposal at the earliest possible time; and be it

3 FURTHER RESOLVED that the Internal Revenue Service is urgently requested
4 to cancel the March 6 effective date of the proposed amendments to the regula-
5 tions relating to state deferred compensation plans until appropriate hearings
6 and action by the United States Congress.

7 COPIES of this resolution shall be sent to the Honorable W. Michael
8 Blumenthal, Secretary, Department of the Treasury; the Honorable S. B. Wolfe,
9 Acting Commissioner, Internal Revenue Service; the Honorable Russell Long,
10 Chairman, Senate Finance Committee; the Honorable Al Ullman, Chairman, House
11 Ways and Means Committee; and to the Honorable Ted Stevens and the Honorable
12 Mike Gravel, U. S. Senators, and the Honorable Don Young, U. S. Representa-
13 tive, members of the Alaska delegation in Congress.

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