



Alaska State Legislature

1968

Source:

HJR 84

HJR 8

JOINT RESOLUTION

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

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA

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

WHEREAS these revenue rulings constitute a reconsideration of the Department of Treasury's position on the current tax exempt status of industrial development financing under sec. 103 of the Internal Revenue Code; and

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

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

BE IT RESOLVED that the Legislature respectfully request: that the United States Congress invoke its rightful power to determine a question of public policy and nullify the recent rulings of the Department of Treasury by which tax exempt status under sec. 103 of the Internal Revenue Code is removed from financing of industrial development programs.

COPIES of this Resolution shall be sent to The Honorable E.L. Bartlett and The Honorable Ernest Gruening, U.S. Senators