

STATE OF ALASKA

THE LEGISLATURE

1979

Source

Legislative
Resolve No.

HJR 12

10



Relating to the tax exemption granted to federal employees in Alaska and in other locations outside the contiguous 48 states.

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

WHEREAS federal employees in Alaska and in other locations outside the contiguous 48 states receive, in addition to their basic salaries, a cost-of-living allowance of up to 25 per cent of their basic salary (5 U.S.C. sec. 5941); and

WHEREAS the cost-of-living allowance received by those federal employees is exempt from federal income tax (26 U.S.C. sec. 912); and

WHEREAS this constitutes discrimination against nonfederal employees in Alaska and in other locations where federal employees receive tax free cost-of-living allowances since non-federal employees are subject to the same high cost of living but do not receive the tax relief to offset its effects;

BE IT RESOLVED by the Alaska State Legislature that the Alaska delegation in Congress introduce and urge the passage of legislation that would exempt from the federal income tax a percentage of the wages and salaries paid to residents of Alaska and in other locations that is equal to the tax free cost-of-living allowance paid to federal employees in Alaska and in other locations; and be it

FURTHER RESOLVED that Congress is urged to enact this legislation at the earliest possible time.

COPIES of this resolution shall be sent to the Honorable Ted Stevens and the Honorable Mike Gravel, U. S. Senators, and the Honorable Don Young, U. S. Representative, members of the Alaska delegation in Congress.