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HOUSE MEMORIAL 9

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Robert M. Burpo

A MEMORIAL

REQUESTING THE NEW MEXICO CONGRESSIONAL DELEGATION TO SUPPORT
THE PERMANENT REPEAL OF THE ESTATE TAX.

WHEREAS, under tax relief legislation passed in 2001, the estate tax was temporarily phased out but not permanently eliminated; and

WHEREAS, women and minorities are very often owners of small- and medium-sized businesses, and the estate tax prevents their children from reaping the rewards of their life's work; and

WHEREAS, farmers' heirs will face losing their farms if the federal government resumes the heavy taxation of the estates of people who invested most of their earnings back into their farms; and

WHEREAS, employees suffer when they lose their jobs

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1 because many small- and medium-sized businesses are liquidated
2 to pay estate taxes, and because high capital costs depress
3 the number of new businesses that could offer them new
4 employment; and

5 WHEREAS, if the estate tax had been repealed in 1996,
6 over the next nine years, the United States economy would have
7 averaged as much as eleven billion dollars (\$11,000,000,000)
8 per year in extra output, and an average of one hundred forty-
9 five thousand new jobs would have been created; and

10 WHEREAS, the persistent uncertainty created by the sunset
11 provision of the Economic Growth and Tax Relief Reconciliation
12 Act of 2001 prevents families and small businesses from taking
13 advantage of the repeal; and

14 WHEREAS, having passed both the United States house of
15 representatives and the senate, elimination of the estate tax
16 has proven to hold wide bipartisan support;

17 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
18 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the New Mexico
19 congressional delegation be asked to support the permanent
20 repeal of the estate tax; and

21 BE IT FURTHER RESOLVED that copies of this memorial be
22 transmitted to members of the New Mexico congressional
23 delegation.