

ALASKA STATE LEGISLATURE

REPRESENTATIVE
JEANNETTE JAMES
PO Box 56622
North Pole, Alaska 99705
(907) 456-1546
FAX (907) 488-4271



While in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-3743
FAX (907) 465-2381

House of Representatives
House District 34

SPONSOR STATEMENT

HJR 35

Title: Relating to urging the United States Congress to amend the tax code to permanently repeal the death tax

[HJR 35](#) requests that Alaska's Congressional delegation "support, work to pass, and vote for the permanent repeal of the death tax."

Since 1996 Congress has voted twice to repeal this 85-year-old tax. Currently, there are two major pieces of legislation being considered by Congress to repeal the tax ([H.R. 330](#) and [S. 275](#)).

There is significant economic evidence to support the repeal of this regressive tax. A study completed by William W. Beach, a John M. Olin Fellow in Economics, has shown this tax disproportionately hurts:

- ◇ Women & minorities
- ◇ Farmers
- ◇ Workers
- ◇ Low-income people
- ◇ Small Businesses

Further, this same study found that this tax is more costly to collect than the revenue it generates. A 1994 analysis clearly demonstrated that "total compliance costs (including economic disincentives) amount to 65 cents for every dollar collected." The additional compliance costs means that in 2000 the \$27.8 billion collected actually cost the American taxpayers \$36.4 billion.