

**AMENDMENT TO H. CON. RES. 312**  
**OFFERED BY MR. BRADY OF TEXAS**

At the end of title VI, add the following new section:

1 **SEC. \_\_\_\_ . SENSE OF CONGRESS ON MAKING THE SALES**  
2 **TAX DEDUCTION PERMANENT.**

3 (a) **FINDINGS.**—Congress finds the following:

4 (1) Before 1986, the tax code permitted for the  
5 deduction of State sales taxes.

6 (2) Residents of “income tax States” are al-  
7 lowed to deduct their State income taxes from their  
8 Federal tax returns.

9 (3) Residents of “non-income tax States”—  
10 States that principally rely on the sales tax—are un-  
11 able to deduct their State sales taxes on their Fed-  
12 eral tax returns.

13 (4) Seven U.S. States—Florida, Nevada, South  
14 Dakota, Tennessee, Texas, Washington, and Wyo-  
15 ming—collect no State income tax from its tax-  
16 payers and instead draw revenue from sales taxes.

17 (5) Taxpayers in States without an income tax  
18 end up paying more to the Federal Government than  
19 a taxpayer with an identical profile in a different  
20 State.

1           (6) Congress restored the sales tax deduction in  
2           the American Jobs Creation Act of 2004, but the ex-  
3           tension expired on December 31, 2007.

4           (7) Congress should make the State sales tax  
5           deduction permanent to give taxpayers confidence  
6           that they will be able to deduct their sales taxes  
7           from year to year.

8           (8) The sales tax deduction is supported by  
9           countless individuals and organizations throughout  
10          the country, including the National Conference of  
11          State Legislators and the Governors from each of  
12          the sales tax States.

13          (9) American families and taxpayers in sales  
14          tax only States will experience a tax increase for  
15          2008 and every subsequent year if Congress does  
16          not make the sales tax permanent.

17          (b) SENSE OF CONGRESS.—It is the sense of the  
18          Congress that the State Sale Tax Deduction should be  
19          made permanent.