WHEREAS, the Federal-Aid cut will severely curtail this state's efforts to achieve an adequate state highway transportation system and to fulfill its obligations to complete its portion of the interstate highway system; now therefore,

BE IT RESOLVED, that the Senate and House of Representatives of the State of Minnesota do respectfully urge that the Congress of the United States do at the earliest possible time devise and approve legislation which will restore all Federal-Aid Highway Funds to the levels in effect and contemplated in November 1966, prior to the cut back.

BE IT FURTHER RESOLVED, that the Secretary of State of the State of Minnesota transmit copies of this memorial resolution to the President of the United States, to the Senators and Representatives from the State of Minnesota, to the Vice President, to the Chairmen of the Committees on Finance and on Commerce of the Senate, to the Speaker and the Chairmen of the Ways and Means and Public Works Committees of the House of Representatives and to the Secretary of the Department of Transportation.

Approved February 17, 1967.

RESOLUTION No. 3—S. F. No. 783

A resolution memorializing the Congress of the United States to return to the states a portion of the income taxes collected in each such state.

WHEREAS, the federal income tax is imposed upon the salaries and wages of employees of the states and local governments, and, therefore, require the states and local governments to increase employees salaries in an amount sufficient to permit their employees to pay such federal income tax, which increase is actually obtained by levying increased taxes at the state and local level; and

WHEREAS, the federal government is not permitted to levy taxes directly against any state or local government and the principles of good government should not permit the federal government to indirectly levy taxes upon the operation of state or local government and thereby increase their costs; and

WHEREAS, there are expanded demands in health, welfare, education, transportation, air pollution, water pollution, crime prevention, highway safety, and other areas; and

WHEREAS, services in these areas are in the jurisdiction and concern of the states and can be rendered more efficiently, economically and expeditiously by state government and its political subdivisions; and

WHEREAS, many federal grant-in-aid programs which require matching funds to be provided by the states tend to restrict the states in their efforts to develop budgets which are consonant with the needs of the states; and

WHEREAS, limitation of tax sources seriously handicaps the states in properly carrying forward its function in these areas; and

WHEREAS, the present federal income taxes seriously inhibit the imposition of additional taxes by state governments and the political subdivisions; and

WHEREAS, the federal government could, without adversely affecting the economic or military power of the United States, contribute some share of the revenues derived from the taxation of income toward enabling the several states to meet their responsibilities to their citizens; now, therefore,

BE IT RESOLVED by the Legislature of the State of Minnesota that the Congress of the United States be requested to enact legislation providing that the several District Directors of the Internal Revenue Service remit to each of the several states on or before October 1 of each year, five percent of the total of all income taxes paid by the individuals domiciled in each of the several states, for the fiscal year ended June 30 next preceding; that the total of income taxes paid by individuals in any year ending on June 30 shall be the total income taxes collected from individuals in such fiscal year less refunds of income taxes made to individuals; and that no restrictions, with respect to the disposition of the amounts so remitted, be imposed by the Congress of the United States upon the several states; and

BE IT FURTHER RESOLVED that the Secretary of State furnish copies of this Resolution to the President of the United States, Vice President of the United States, Speaker of the United States House of Representatives and to all members of the Minnesota Congressional Delegation in Washington, D. C.

Approved March 28, 1967.