

## 1 SENATE JOINT RESOLUTION NO. 5

2 INTRODUCED BY J. ELLINGSON

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4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF  
5 MONTANA URGING THE PRESIDENT OF THE UNITED STATES AND CONGRESS TO ENACT AN  
6 EXEMPTION OF THE FIRST \$20,000 OF INDIVIDUAL EARNINGS FROM THE SOCIAL SECURITY PAYROLL  
7 TAX.

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9 WHEREAS, On June 7, 2001, President Bush signed the Economic Growth and Tax Relief  
10 Reconciliation Act of 2001; and

11 WHEREAS, the Act provides \$1.35 trillion in tax cuts over 11 years; and

12 WHEREAS, high-income taxpayers have received a substantial benefit from the tax reduction and are  
13 scheduled to receive additional tax reductions as the tax cuts are phased in; and

14 WHEREAS, the vast majority of taxpayers have already received most of the benefit from the tax  
15 reduction; and

16 WHEREAS, President Bush is formulating a new economic stimulus package that will be unveiled at  
17 the State of the Union address in January 2003; and

18 WHEREAS, workers and employers were subject to the Social Security payroll tax at the rate of 6.2%  
19 on earnings up to \$84,900 in 2002; and

20 WHEREAS, according to some analysts, four out of five workers in America now pay more in payroll  
21 taxes than they do in income taxes;

22 WHEREAS, a reduction in payroll taxes would help employers, who would be relieved of their share of  
23 the tax, retain workers on their payroll; and

24 WHEREAS, the Business Roundtable, representing 150 of the country's largest corporations, has  
25 recommended that a portion of individual earnings be exempt from the Social Security payroll tax; and

26 WHEREAS, an exemption from the Social Security payroll tax would provide needed tax relief for our  
27 workers and employers, while giving our economy an important stimulus.

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29 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF  
30 THE STATE OF MONTANA:

