

THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE RESOLUTION

No. 178 Session of  
2007

INTRODUCED BY DENLINGER, BAKER, BARRAR, BIANCUCCI, BOYD,  
CAPPELLI, CLYMER, COX, CREIGHTON, CUTLER, ELLIS, EVERETT,  
FAIRCHILD, GEIST, GINGRICH, GRELL, HARPER, HENNESSEY,  
HERSHEY, HESS, HORNAMAN, HUTCHINSON, JAMES, KILLION, MENSCH,  
METCALFE, MILLARD, MUSTIO, O'NEILL, PETRARCA, PETRI, PICKETT,  
PYLE, RAPP, RAYMOND, REICHLEY, ROHRER, SAYLOR, SCAVELLO,  
SCHRODER, R. STEVENSON, TURZAI AND YOUNGBLOOD, APRIL 3, 2007

REFERRED TO COMMITTEE ON FINANCE, APRIL 3, 2007

## A RESOLUTION

1 Memorializing the Congress of the United States to enact  
2 legislation providing for an extension of the 15% tax rate on  
3 capital gains and dividends.

4 WHEREAS, In 2003 the Congress enacted a tax cut that included  
5 a reduction in the rate of the Federal income tax on capital  
6 gains and dividends to 15%; and

7 WHEREAS, The rate reduction is set to expire in 2008, and a  
8 higher rate will be reinstituted on capital gains and dividends  
9 if legislation extending the applicability of the reduced rate  
10 is not enacted; and

11 WHEREAS, The rate reduction was a significant factor in the  
12 25% increase in business investment that has resulted in the  
13 creation of new job opportunities in the past 30 months; and

14 WHEREAS, According to the American Shareholders Association,  
15 dividend payments to shareholders have doubled in two years,  
16 placing more dollars back into the hands of the ever-expanding

1 number of taxpayers who are investors; and

2 WHEREAS, An estimated 40% of the gain in the value of the  
3 stock market over the last two years is attributable to  
4 increases in the after-tax return on equities, thanks in large  
5 measure to the capital gains and dividend rate reduction; and

6 WHEREAS, Since 2003, employment is up by some 4.4 million  
7 individuals and annual Gross Domestic Product growth has  
8 averaged 4%; therefore be it

9 RESOLVED, That the House of Representatives of the  
10 Commonwealth of Pennsylvania memorialize the Congress to enact  
11 legislation extending the current 15% rate on capital gains and  
12 dividends for two more years; and be it further

13 RESOLVED, That a copy of this resolution be transmitted to  
14 each member of the Pennsylvania delegation now serving in the  
15 United States House of Representatives and Senate.