

RESOLUTION NO. 2017-18

A RESOLUTION OF THE CITY COUNCIL OF NEW PORT RICHEY, FLORIDA OPPOSING ANY EFFORT TO REDUCE OR REPEAL THE FEDERAL TAX EXEMPTION ON INTEREST EARNED FROM MUNICIPAL BONDS AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, interest earned from state or municipal bonds is wholly exempt from federal taxation pursuant to the Section 103 of the code; and,

WHEREAS, for more than a century, states and local governments have depended on this reliable and efficient means of financing; and

WHEREAS, nearly two-thirds of core infrastructure investments in the United States are financed with municipal bonds; and

WHEREAS, nearly two-thirds of core infrastructure investments in the United States are financed with municipal bonds. In 2016 alone, more than \$440 billion in municipal bonds were issued to finance the projects that touch the lives of every American citizen and business. They are the roads we drive on, schools for our children, affordable family housing, water systems that supply safe drinking water, courthouses, hospitals and clinics to treat the sick, airports and ports that help move products domestically and overseas, and, in some cases, the utility plants that power our homes, businesses and factories. These are the pro-growth investments which spur job creation, help our economies grow, and strengthen our communities; and

WHEREAS, a combination of local control and local responsibility makes municipal bonds an incredibly effective and efficient tool; and

WHEREAS, Voters throughout the country overwhelmingly support tax-exempt municipal bonds, which are either approved by locally-elected officials or directly through bond referenda; and

WHEREAS, federal tax exemption reduces the cost of issuing municipal bonds; and

WHEREAS, Congress and the President have proposed legislation to reduce or repeal the tax exemption on municipal bonds; and

WHEREAS, if simply left alone, municipal bonds will likely finance another \$3 trillion in new infrastructure investments by 2026; and

WHEREAS, it is vital to maintain the present tax exempt status on local government bond debt and the ability of local governments to maximize investment on local infrastructure to serve the public and contribute to the local economies; and

WHEREAS, the increased cost of issuance of bonds for infrastructure improvements will be borne by the local constituents of the entity issuing the bonds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEW PORT RICHEY, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED, THAT:

SECTION 1. The City Council of the City of New Port Richey hereby opposes any effort by Congress or the President to reduce or repeal the federal tax exemption on interest earned from municipal bonds.

SECTION 2. Copies of this resolution shall be sent to each member of the Florida delegation and to Senators Nelson and Rubio.

SECTION 3. This Resolution shall become effect immediately upon adoption.

The above and foregoing Resolution was read and adopted at a duly convened meeting of the New Port Richey City Council, this 18th day of April, 2017.

ATTEST:

By: _____
Judy Meyers, City Clerk

By: _____
Robert Marlowe, Mayor-Council Member

(seal)

APPROVED AS TO FORM AND LEGALITY FOR THE SOLE USE
AND RELIANCE OF THE CITY OF NEW PORT RICHEY, FLORIDA:

Timothy P. Driscoll, City Attorney