Congress of the United States
Washington, DC 20515

September 11, 2008

The Honorable Nancy Pelosi
Speaker of the House
H-232, U.S. Capitol
Washington, DC 20515

The Honorable John Boehner
House Minority Leader
H-204, U.S. Capitol
Washington, DC 20515

Dear Speaker Pelosi and Leader Boehner;

As the end of this legislative session draws near, we are increasingly concerned about the expiration of the state and local sales tax deduction. Extending the deduction would effectively act as a direct economic stimulus to affected taxpayers. We ask that you do everything possible to complete work on an extenders package that can be enacted into law before the end of this session that includes an extension of the deductibility of state sales taxes from federal income taxes. As you know, the sales tax deduction expired at the end of 2007 and it must be extended for 2008 in order for residents to deduct their sales taxes again next year.

In these difficult economic times, it is critical for our constituents to know whether the sales tax deduction will be available for purchases they make this year and in the future – including major purchases such as automobiles, home appliances and renovation materials. Our local retailers, small businesses which are the backbone of the American economy, will be harmed if consumers in our states delay or reduce their annual purchases because of unpredictable and unfair tax laws. Millions of middle-class families in Washington, Florida, Texas, Nevada, Tennessee, South Dakota, and Wyoming will be especially hard hit with higher taxes if this Congress does not act before we adjourn.

We respectfully request that you continue working with the Senate to pass a tax extenders package before the end of this year that includes, at the very least, a one year extension of the state and local sales tax deduction. Our objective is to provide our constituents with the same predictability afforded to residents of states with an income tax, as well as to preclude the need for retroactive extensions of the sales tax deduction.

We greatly appreciate your continued support on this important matter, and we thank you for your consideration of this request.

Sincerely,

Norm Dicks

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