

HOUSE RESOLUTION NO. 34

Reps. Martin, Bezotte, Filler and Beson offered the following resolution:

1 A resolution to memorialize the Congress of the United States
2 to exempt unemployment income from taxable income for the 2020 tax
3 year.

4 Whereas, The COVID-19 Pandemic and efforts to mitigate the
5 virus' spread have led to the most significant economic downturn
6 since the Great Depression. In order to contain the virus, non-
7 essential businesses have been forced to close or reduce operations
8 for prolonged periods; and

9 Whereas, The economic downturn has led to an unprecedented
10 surge in unemployment claims. Nationally, tens of millions of
11 Americans have filed for unemployment benefits. In Michigan alone,
12 more than 3 million residents, or about 30 percent of the state's

1 population, have filed for benefits; and

2 Whereas, Unemployment benefits have been the only source of
3 income for some residents and families. These benefits have
4 provided critical support in keeping many Americans afloat during
5 this crisis, but some people have still faced difficult choices.
6 With benefits unable to cover all expenses, some have been forced
7 to choose between paying for rent, utilities, or other necessities;
8 and

9 Whereas, Unemployment benefits are considered taxable income
10 and are subject to the federal income tax, which reduces the amount
11 of benefits received. Reducing the amount of benefits through
12 taxation during this period of increased reliance on unemployment
13 income compounds the stress for those who are facing a prolonged
14 period of reduced income and economic uncertainty; and

15 Whereas, Temporarily exempting unemployment income from
16 taxable income would provide a significant financial lifeline to
17 Michigan residents and Americans throughout the country. It would
18 provide additional flexibility to afford necessities. For those who
19 are not struggling to pay for essential expenses, the move would
20 provide more disposable income to support small businesses and
21 stimulate the economy; now, therefore, be it

22 Resolved by the House of Representatives, That we memorialize
23 the Congress of the United States to exempt unemployment income
24 from taxable income for the 2020 tax year; and be it further

25 Resolved, That copies of this resolution be transmitted to the
26 Speaker of the United States House of Representatives, the
27 President of the United States Senate, and the members of the
28 Michigan congressional delegation.