

**CHAPTER 156****(HJR 30)**

A JOINT RESOLUTION authorizing the creation of the Subcommittee on Tax Policy Issues of the Appropriations and Revenue Committee.

WHEREAS, a fair and equitable tax structure is important to the economic viability of a state; and

WHEREAS, there are many inadequacies in Kentucky's taxing structure, including the way the working poor, prescription drugs, telecommunications, and motor vehicles are taxed; and

WHEREAS, most of Kentucky's current taxing structure was developed on a piecemeal basis; and

WHEREAS, an important element of tax policy is the competitive position relative to other states; and

WHEREAS, there is a need to analyze Kentucky's tax structure, compared to our neighbors and competitors, and make appropriate adjustments; and

WHEREAS, Kentucky has moved into a new economy and it is important to have a tax system that is reflective of a knowledge-based economy; and

WHEREAS, the need has arisen to conduct a comprehensive examination of the Commonwealth's tax structure and recommend changes to the tax code system which will meet the long-term needs of the state and its citizens;

NOW, THEREFORE,

*Be it resolved by the General Assembly of the Commonwealth of Kentucky:*

Section 1. There is created the Tax Policy Issues Subcommittee of the Appropriations and Revenue Committee to study tax policy issues. The subcommittee shall consist of sixteen members as follows:

(1) Eight members from the House Appropriations and Revenue Committee, who shall reflect the parties' proportional representation on the House Appropriations and Revenue Committee, recommended by the Chair of House Appropriations and Revenue Committee and approved by the Speaker of the House; and

(2) Eight members from the Senate Appropriations and Revenue Committee, who shall reflect the parties' proportional representation on the Senate Appropriations and Revenue Committee, recommended by the Chair of Senate Appropriations and Revenue Committee and approved by the President of the Senate.

Section 2. The House and Senate Chair of the Appropriations and Revenue Committee shall serve as co-chairs of the subcommittee.

Section 3. The subcommittee is authorized to meet on the regular meeting date for the Interim Joint Committee on Appropriations and Revenue according to the most recent interim meeting calendar approved by a majority of the Legislative Research Commission. The first meeting shall be no later than May 1, 2001.

Section 4. The Governor is requested through designees to make recommendations to the subcommittee for consideration by the subcommittee. The Governor shall designate executive branch employees with expertise in the various areas to be studied by the subcommittee to present

data, research, and testimony to the subcommittee. The subcommittee may employ consultants if approved by the Legislative Research Commission.

Section 5. The subcommittee shall report its findings to the Interim Joint Committee on Appropriations and Revenue prior to the start of the 2002 Regular Session. The subcommittee shall cease to exist April 15, 2002.

**Approved March 20, 2001**