

1 ***Resolution to Oppose NCCUSL Effort to rewrite the Uniform Division of Income***  
2 ***for Tax Purposes Act***

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4 ***Summary:*** This resolution opposes the effort being undertaken by the National Conference of  
5 Commissioners on Uniform State Laws (NCCUSL) to rewrite the Uniform Division of Income  
6 for Tax Purposes Act (UDITPA). This resolution recognizes that state tax competition and the  
7 fundamental right of states to design their own tax structures to reflect the unique nature of their  
8 geographical, cultural, and political climates weighs against the NCCUSL effort to develop a  
9 uniform approach to taxing income. Further, this resolution recognizes that NCCUSL is funded  
10 by state appropriated monies and expresses our concern that NCCUSL would use such funds on  
11 an effort that contravenes the competition among states.

12 ***Resolution***

13 **WHEREAS**, it is the mission of the American Legislative Exchange Council to advance  
14 Jeffersonian principles of free markets, limited government, federalism and individual liberty,  
15 and

16 **WHEREAS**, a uniform tax on corporate income contravenes ALEC's mission to support state  
17 sovereignty, and

18 **WHEREAS**, state legislatures have designed their individual state tax structure to meet the  
19 needs of their in-state businesses thereby distinguishing their state from, and competing directly  
20 with, other states, and

21 **WHEREAS**, state elected officials strive to differentiate their states with legislative enactment  
22 of tax provisions that reflect each state's unique climate for jobs and investment, and

23 **WHEREAS**, the NCCUSL effort to rewrite UDITPA is being driven by the Multistate Tax  
24 Compact, an organization of tax administrators seeking uniform corporate income tax  
25 apportionment rule throughout the states, and

26 **WHEREAS**, uniformity of corporate income taxation is not desirable nor practical, thus failing  
27 to meet NCCUSL's own criteria for drafting a uniform act, and

28 **WHEREAS**, NCCUSL is a quasi-state organization funded by appropriated taxpayer dollars.

29 **NOW, THEREFORE, BE IT RESOLVED** that ALEC opposes the NCCUSL effort to rewrite  
30 UDITPA.

31 **BE IT FURTHER RESOLVED** that ALEC urges NCCUSL to discontinue the effort to rewrite  
32 UDITPA as a waste of taxpayer funds.

33 **BE IT FURTHER RESOLVED** that ALEC encourages states to review their appropriation of  
34 funds for the NCCUSL budget.