



THE UNITED STATES  
CONFERENCE OF MAYORS



March 23, 2020

The Honorable Nancy Pelosi  
Speaker of the House  
Washington, DC 20515

Dear Speaker Pelosi,

On behalf of the local elected and appointed officials that our national organizations represent, we write today in support of the Restoring Tax Fairness for State and Localities Act. Our organizations would like to thank Reps. Tom Suozzi and Hakeem Jeffries for their tremendous leadership on this issue.

The SALT deduction was one of the six deductions allowed under the original tax code when it was enacted in 1913, and it remains an integral part of our intergovernmental system of taxation.

We strongly believe that no federal law or regulation should preempt, limit or interfere with the constitutional or statutory rights of states and local governments to develop and operate our own tax systems. States and local governments deploy revenues from state and local property, sales and income taxes to help finance long term infrastructure projects, local law enforcement, emergency services, education costs and many other services.

By capping SALT deduction, states and local governments have been stripped of a critical financing tool and have already been forced to choose between vital services we provide to our residents. Studies have also shown that caps on the deduction have limited the growth in home values over the past two years, which has harmful impacts for both

individuals and communities. While many Americans rely on the value of their home to provide long-term financial stability, states and local governments also rely on property taxes to finance many of the services we provide, including public education, public safety, infrastructure development and more.

Our system of federalism works best when all levels of government work together, and the SALT deduction remains a key component to that system. We appreciate the efforts outlined in the Restoring Tax Fairness Act to undo the cap on the SALT deduction while we work with our federal partners to secure a long-term solution that protects the taxing authority and responsibilities of states and local governments.

Sincerely,

National Conference of State Legislatures  
The Council of State Governments  
National Association of Counties  
National League of Cities

The United States Conference of Mayors  
Government Finance Officers Association  
International City/County Management Association  
International Public Management Association for  
Human Resources  
National Association of Towns and Townships  
National Association of Regional Councils  
Large Public Power Council