



SR0081

LRB097 10635 GRL 51033 r

1 SENATE RESOLUTION

2 WHEREAS, Economic growth and increased opportunity are of
3 utmost importance in this current economic downturn; and

4 WHEREAS, New commercial, residential, and affordable
5 housing development plays an important role in stimulating
6 economic growth, job creation, and infrastructure and
7 environmental improvements in the State of Illinois; and

8 WHEREAS, New real estate development, especially in the
9 commercial, residential, and affordable housing fields, plays
10 an important role in maintaining property values and in
11 maintaining the financial stability of units of government at
12 all levels throughout the State of Illinois; and

13 WHEREAS, Many public pensions have suffered decreases in
14 the value of their investment portfolios; many of those
15 portfolios have investments in real estate partnerships; and

16 WHEREAS, Public-private partnerships play a key role in
17 encouraging and accelerating commercial, residential, and
18 affordable housing development projects, thereby helping to
19 improve our nation's communities; and

20 WHEREAS, There is an inherent risk associated with

1 commercial, residential, and affordable housing development
2 projects; and

3 WHEREAS, Partnerships are widely used in real estate
4 projects in order to provide flexibility in allocating risks
5 and potential rewards in real estate projects; and

6 WHEREAS, Current legislative proposals in Congress would
7 re-characterize carried interest, currently treated as capital
8 gains, as ordinary income, thereby discouraging real estate
9 partnerships from investing in Illinois; this proposal could
10 also depress economic activity across our State and jeopardize
11 the stability of property values and the value of any pension
12 funds which may be invested in such real estate partnerships;
13 therefore, be it

14 RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL
15 ASSEMBLY OF THE STATE OF ILLINOIS, that we respectfully urge
16 the United States Congress and the President of the United
17 States to maintain the current capital gains tax treatment or
18 classification for tax purposes of promoted or carried interest
19 used by real estate partnerships; and be it further

20 RESOLVED, That suitable copies of this resolution be
21 delivered to the Majority and Minority Leaders of the United
22 States Senate, the Speaker and Minority Leader of the United

1 States House of Representatives, and each member of the
2 Illinois congressional delegation.