

**A RESOLUTION IN SUPPORT OF THE
PRESERVATION OF TAX-EXEMPT
FINANCING FOR MUNICIPAL BONDS**

) **RESOLUTION NO. 2013-34**
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WHEREAS, the fundamental principle of tax-exempt financing is giving local governments the ability to issue bonds free from federal tax in order to provide low-cost, ready access to capital for infrastructure projects and other needs; and

WHEREAS, the exclusion of interest on state and local obligations from federal gross income is an important financing tool where building and rebuilding infrastructure is required to meet mandates, community growth, and is critical to our local economy; and

WHEREAS, municipalities benefit from this tax exemption through substantial savings on the interest cost of borrowed money; and

WHEREAS, the benefit of lower capital costs attributable to tax exempt financing are passed on to property taxpayers through reduced rates, greater local investments, or both; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LEBANON AS FOLLOWS THAT:

Section 1. The City of Lebanon, State of Oregon, opposes any efforts by the United States Congress and Administration to eliminate or limit the use of tax-exempt bonds by local governments, or to change the ability of investors to claim the exemption.

Section 2. A copy of this Resolution shall be sent to our Congressional Representatives.

Section 3. A copy of this Resolution shall be submitted to the League of Oregon Cities in support of future debates and action on preserving tax-exempt financing.

Passed by the Lebanon City Council and executed by the Mayor on this 9th day of October, 2013, by a vote of 4 yeas and 0 nays.

CITY OF LEBANON, OREGON



Paul R. Aziz, Mayor
Bob Elliott, Council President

Attested by:



Linda Kaser, City Clerk