

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, EXPRESSING OPPOSITION TO TAX PROPOSALS BEFORE THE UNITED STATES CONGRESS RELATING TO MUNICIPAL BONDS AND DECLARING THE EFFECTIVE DATE THEREOF.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

WHEREAS, the United States Congress is currently considering tax reform proposals including proposals relating to tax-exempt bonds; and

WHEREAS, these proposals would restrict the investment of bond proceeds, would require that certain earnings from the investment of bond proceeds be paid to the United States Treasury Department, would require that an Internal Revenue Service Information Report be filed for every bond issue, would impose additional taxes on banks that purchase tax-exempt bonds, and would subject the holders of tax-exempt bonds to minimum tax liability; and

WHEREAS, the proposed limitations on tax-exempt municipal bonds would adversely affect the City of Mesquite by increasing borrowing costs, require continuous administrative review of bond issues and would require filings with, and review by, the Internal Revenue Service of each bond issue; and

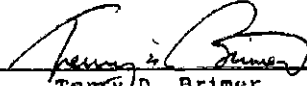
WHEREAS, the municipal bond proposals will result in an increase in costs which must be passed on to the consumer, will reduce the ability of municipalities and authorities to provide vital public services and will impose added federal bureaucratic controls over the provision of such services;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:


SECTION 1. That the City of Mesquite, Texas, goes on record as opposing the limitations and restrictions on municipal bonds under consideration by the United States Congress, which, if enacted into law would adversely affect all tax-exempt municipal bonds, including bonds issued by the City of Mesquite.

SECTION 2. That this resolution shall take effect immediately upon passage as the Charter in such cases provides.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on this the 17th day of February, A.D., 1986.


Terry D. Brimer
Mayor Pro-Tem

ATTEST:


Lynn R. Kugel
City Secretary