



**CITY OF BOULDER
OFFICE OF THE CITY COUNCIL**

**Mayor Matthew Appelbaum
Deputy Mayor Lisa Morzel**

**Council Members: Suzie Ageton, KC Becker, Macon Cowles,
Suzanne Jones, George Karakehian, Tim Plass, Ken Wilson**

December 4, 2012

The Senator Udall
U.S. Senate
Hart Office Building, Suite SH-328
Washington, D.C. 20510

Dear Senator Udall:

The current "lame duck" session and the next Congress will present lawmakers with significant fiscal challenges. Spending cuts and tax expenditures will be examined to address a balanced approach to fix the United States' deficits and debt. The City of Boulder hopes you will support and advocate for maintaining the treatment of municipal bonds as tax exempt because it is critical to economic growth and local infrastructure development.

Getting the federal budget under control is a top priority for the city. It is important, however, to be measured when deciding where spending should be cut and revenue increased. Ending the exemption for interest earned on municipal bonds would halt the momentum that local governmental entities have been gaining since the economic downturn started in 2008. Tax exempt municipal bonds have been a tool to promote investment on the local level since the institution of the federal income tax in 1913.

Our city utilizes bonds for capital expenditures that otherwise could not be financed because the exemption substantially lowers the cost of these big dollar investments. The use of bonds is a catalyst for regional growth and the exemption makes bonding more likely.

Please feel free to me, the city's Policy Advisor, Carl Castillo, or the city's Finance Director, Bob Eichen, if you have any questions about the importance of maintaining the tax exempt status of municipal bonds.

Thank you for your attention to this matter and we look forward to following your work in Congress on fiscal issues.

Sincerely,

Matthew Appelbaum
Mayor



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The Honorable Michael Bennet
U.S. Senate
458 Russell Senate Office Building
Washington, DC 20510

Dear Senator Bennet:

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The Honorable Jared Polis
U.S. House of Representatives
501 Cannon House Office Building
Washington, DC 20515-0602

Dear Congressman Polis:

The current "lame duck" session and the next Congress will present lawmakers with significant fiscal challenges. Spending cuts and tax expenditures will be examined to address a balanced approach to fix the United States' deficits and debt. The City of Boulder hopes you will support and advocate for maintaining the treatment of municipal bonds as tax exempt because it is critical to economic growth and local infrastructure development.

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