



Illinois Senate Approves NAIOP Chicago Resolution on Federal Treatment of Carried Interest

NAIOP Chicago initiated legislation that resulted in the Illinois Senate recently passing a resolution urging the President of the United States and the United States Congress to maintain the current capital gains tax treatment of “promoted,” or “carried interest,” used by real estate partnerships. This is critical and timely legislative action, because attempts to significantly increase federal taxes on “carried interest” have been gaining traction in Washington, and the President has announced his intention to “rewrite the entire U.S. Tax Code.”

Senate Resolution 81 (“SR 81”) was **unanimously adopted** by the Illinois Senate on May 27, 2011. Copies of the resolution will be sent to the Majority and Minority leaders in the United States Senate, the Majority and Minority leaders in the United States House of Representatives, and each member of the Illinois congressional delegation.

NAIOP Chicago and its members would like to thank the legislative efforts of:

- Senator Chris Lauzen (R-Aurora), the Senate Republican spokesperson for the Senate Revenue Committee, who agreed to be the primary sponsor of SR 81 and to lead discussions explaining the value and role “carried interest” plays as an economic development tool and importance of “carried interest” to the value of public-sector real estate investments and to the health of the commercial real estate industry, which, in turn, effects the health of the economy in Illinois; and
- The lobbying team of Morrill & Associates, P.C., who provided significant support to NAIOP Chicago and Senator Lauzen.

SR 81 provides critical, unanimous confirmation of Illinois’ unqualified commitment to support investment in local, private commercial real estate development projects, which will spur economic growth and the creation of new jobs in our state as the economy recovers.

[View the full text of Senate Resolution 81](#)

Please contact **[NAIOP Chicago](#)** for further information.