



NEWS

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California Balances Budget without Raising Taxes!

California's balanced budget weakens arguments for tax increase initiatives

Washington, D.C. — Yesterday, the California Senate passed a balanced budget that had already been passed by the state Assembly on Wednesday. The bill is a \$105 billion compromise that includes funding to continue current services without any net tax increases.

A balanced budget poses doubts as to the need for any new tax initiatives, such as the 3% phone tax and the 1% increase on taxable income over one million dollars, an income bracket of which two-thirds are small business owners.

“When legislators are pushed into a decision, a balanced budget without tax increases can be achieved,” commented Grover Norquist, President of Americans for Tax Reform. **“The big spenders have no case for why more taxes are needed when it is clear that balancing a budget, which does not cut services, is possible without raising taxes.”**

A proposal to make the California legislators status part-time instead of full-time has re-surfaced recently. California is only one of four states that have legislators working full-time.

“Moving to part-time legislators is a great idea. If they are so worried about the deficit and spending for programs, why don't they give themselves a pay cut to help, instead of taxing the citizens of California,” said Norquist. **“If they really wanted to pay down the deficit, they would cut spending, starting with their own salaries.”**

Americans for Tax Reform (ATR) is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal, state and local tax increases. For more information or to arrange an interview, please contact Chris Butler at (202) 785-0266 or at cbutler@atr.org