



NEWS

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Tax Increases on the Ballot in California

-- Taxpayers should reject class envy --

WASHINGTON, D.C. – Citizens in California will have the opportunity to vote on tax increases this November. There are a number of different initiatives being circulated in California designed to increase taxes Californians will have to pay.

The proposed initiatives are asking voters to increase their taxes to pay for mental health and emergency services and to provide universal free preschool. One initiative, sponsored by CA Assemblyman Darrell Steinberg, proposes taxing people who make over a million dollars a year to fund mental health services. The “Mental Health Services Expansion and Funding Tax on Incomes over \$1 Million Initiative Statute” will add a 1% tax on every dollar earned over one million.

“The problem with the ‘millionaire tax’ is that it is not taxing the rich but taxing the small business owner. This isn’t a ‘tax the rich’ scheme. Small business owners will be hurt because they pay personal taxes; they don’t pay corporate taxes,” said Grover Norquist, President of Americans for Tax Reform in Washington, DC. **“Small business owners are the foundation of our economy. They are what drive it. This tax is punishing them for their success.”**

A number of other plans for tax increases are being circulated to add to the November ballot. The “Funding for K-12 Education and Voluntary Universal Preschool Program Commercial Property Taxes Initiative Constitutional Amendment and Statute” will change the way property tax is assessed to increase revenue through property taxes. The “Emergency and Medical Services Funding Telephone Surcharge Initiative Constitutional Amendment and Statute” will create a new tax on telephone service. Disguised as a “surcharge”, the tax will add as much as 3% on telephone use. As the recall election against Gray Davis has shown, Californians don’t want a tax and spend government. Instead of passing a general tax increase, pro-tax supporters are trying to increase taxes by popular vote through well financed campaigns by special interest groups.

“The pro-tax supporters know they can’t get an across the board tax increase so they are trying to raise taxes by piecemeal,” Norquist continues. **“This only goes to show that they don’t want to just tax the rich, they want to tax all Californians.”**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at jcollegio@atr.org.