



NEWS

AMERICANS FOR TAX REFORM

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Tax Increase to be repealed in Louisiana?

-- Republican State Party Chairman Roger Villere calls for repeal of "Stelly Plan" tax increases --

WASHINGTON, D.C. – As filing for state income tax returns draws to a close in Louisiana, Republican Party Chairman Roger Villere has publicly asked Louisiana residents to call their legislators and ask them to support a repeal of the Stelly plan tax increase. The Stelly Plan, was passed by the voters by a narrow margin in a statewide referendum on November 6, 2002.

The plan was able to win the necessary votes because it was sold as a revenue neutral plan. Yet, as State Party Chair Villere points out, the plan will raise revenue by as much as \$100 million, and will significantly increase the burden on taxpayers, especially couples making as little as \$30,000 a year. Legislation to repeal the plan has been introduced by both Representative Steve Scalise (R) and Senator James David Cain (R).

"The people of Louisiana were fooled by tax-and-spenders," said Grover Norquist, President of Americans for Tax Reform in Washington, DC. **"Proponents of the plan dressed up the tax increase in the pretty clothes of a revenue neutral tax-swap, but they knew full-well it was a tax increase, and were willing to place an extra burden on the hard-working families of Louisiana."**

While the Stelly Plan eliminated temporary sales taxes, the loss in revenue is compensated by additional personal income tax collections, specifically burdening joint filing lower income households. Furthermore, taxpayers are deprived of the ability to make deductions on their state taxes for home mortgages or charitable contributions.

According to Villere, a repeal of the tax increases could be undertaken with no need to reintroduce the sales taxes that were repealed, as growth in state tax revenues is at 26 percent per four-year cycle.

"Fortunately for Louisiana's taxpayers, not everyone has bought into the propaganda - some have looked beyond the veil," Norquist continued. **"Taxpayers should follow Chairman Villere's appeal and urge their legislators to support a repeal of this scam."**

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.