



NEWS

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Maryland House Votes to Raid Taxpayers' Wallets to the Tune of a Billion Dollars

Just as the national economy begins to heat up, raising the burden of government will keep Maryland's cold.

WASHINGTON – House Speaker Michael Busch (D-Anne Arundel) pushed through the Maryland House yesterday a billion dollar tax increase package. The proposal would raise the state sales tax by 20% and the top marginal income tax rate on individuals and small businesses by 26%.

22 Democrats – including the Democratic Whip, George Owings III (D-Calvert) – abandoned their leader, and all Republicans opposed the measure. The Senate is said to be opposed to the large tax increase, and Gov. Bob Ehrlich (R) has promised a veto if it reaches his desk.

“The national economy is finally growing, thanks in large part to President Bush’s tax cuts,” said taxpayer advocate Grover Norquist, president of Americans for Tax Reform. **“Why would Maryland want to raise its taxes and make economic growth more difficult in the state? The cost government in Maryland is already very high. Raising the cost of everything purchased by another hiking the sales tax, and raising the cost of hiring and expanding by raising the tax on small businesses, would make life harder on Marylanders, rich and poor alike.”**

Political observers in Annapolis and elsewhere are baffled at the house’s action. As the nation moved toward lower taxes and more growth-friendly policies, they say, why would Maryland be moving in the opposite direction?

“It’s as if the Maryland House is in some bizarre time warp,” Norquist continued. **“Suddenly I am transported back to the days of lava lamps, bell bottoms, Keynesian economics, and unilateral disarmament. Who still believes that Yugoslavia and Sweden are economic role models? Who still believes that we can tax and spend our way to prosperity?”**

“Gov. Ehrlich did a good job last year pulling the state out of the 1970’s and focusing on spending restraint. But it looks like the House hasn’t learned a thing. They are ready to return the state to the failed policies that caused today’s budget difficulties.”

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.