



NEWS

AMERICANS FOR TAX REFORM

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Michigan Pledge Signers Help Kill Tax Increases in House

-- House of Representatives defeats two tax hike measures by large margins --

WASHINGTON, D.C. – Michigan’s signers of the Taxpayer Protection Pledge helped deal a blow to big spending interests in Lansing last Wednesday. Governor Jennifer Granholm had introduced three major tax increase proposals. Two of them were voted down by an overwhelming margin, while lawmakers held off on a vote on the third one, a tobacco tax increase.

HB 4865 had called for a spirits tax hike which would have increased the mark-up on distilled spirits from 65% to 74%. The bill saw a crushing defeat by a margin of 22-81. Lawmakers also clearly voted down a second measure, HB 5708, which would have raised \$94 million for the 2004 -05 fiscal year and \$130 million in new revenue for 2005-06 by decoupling Michigan’s tax on estates from the federal estate tax. Signers of the Taxpayer Protection Pledge were firmly opposed to the tax increases.

Taxpayers in Michigan can consider themselves lucky to have lawmakers on their side, who stand up for their interests,” said Grover Norquist, President of Americans for Tax Reform in Washington, DC. **“These lawmakers understand that tax and spending cuts, not higher taxes and increased spending will bring the state forward, and make it more competitive.”**

The third tax increase measure proposed by Gov. Granholm would raise \$295 million in new revenue by raising the tobacco tax from \$1.25 cents per pack to \$2.00. With the other measures having seen crushing defeats, the tobacco tax increase may not even reach the house floor.

“The measures Granholm proposed would have a devastating effect for both Michigan’s economy and its people,” continued Norquist. **“Study after study has pointed out that tax and spending cuts, not higher taxes and increased spending will bring the state forward, and make it more competitive. Fortunately for Michigan’s taxpayers, lawmakers got the message.”**

The following legislators in Michigan are signers of the Taxpayer Protection Pledge:

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|---------------------------|----------------------------|-------------------------------|
| 1. Alan Sanborn (S-11) | 7. John Pappageorge (H-41) | 13. Rick Shaffer (H-59) |
| 2. Michael Bishop (S-12) | 8. John P. Garfield (H-45) | 14. Jacob W. Hoogendyk (H-61) |
| 3. Wayne Kuipers (S-30) | 9. Ruth Johnson (H-46) | 15. Glenn Steil (H-72) |
| 4. Jim Barcia (S-31) | 10. David Robertson (H-51) | 16. Stephen Ehardt (H-83) |
| 5. Michael Goschka (S-32) | 11. Gene DeRossett (H-52) | 17. Kenneth Bradstreet (H-10) |
| 6. Leon Drolet (H-33) | 12. Matt Milosch (H-55) | |

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.