

FOR IMMEDIATE RELEASE

CONTACT: John Kartch
Patrick Gleason

18 JANUARY 2008

202-785-0266

Taxpayer Group Applauds Court's Rejection of Proposed Ballot Initiative

WASHINGTON, D.C. - In a ruling issued on Wednesday, a Nevada District Court rejected a ballot initiative filed by the Nevada State Education Association for placement on the November 2008 ballot. The ruling comes in response to a lawsuit filed by the Nevada Resort Association last November. The Resort Association challenged the proposed initiative on the grounds that it violated Nevada's single subject law, which requires that ballot initiatives address no more than one subject. In her decision, Senior Justice Miriam Shearing, acting as district judge, agreed with the resort association's contention.

The rejected ballot measure would have resulted in a 44% tax increase on the Nevada gaming industry. Furthermore, the proposed initiative sought to install mandatory annual education spending increases as well as stipulations on how new revenue from the tax hike was allocated.

"Aside from levying a substantial tax increase that would have wreaked havoc one of the state's most important industries, this odious proposal would have put spending and inevitably future tax hikes on autopilot," said Grover Norquist, president of Americans for Tax Reform. **"The teachers union's attempt to rake in more cash by singling out the industry perceived to be the most politically vulnerable with a massive tax increase is shameful and simply bad policy. What's more, the Nevada gaming industry already provides 1/3 of all education spending in the state."**

Despite this week's ruling, the Nevada gaming industry remains under fire from another proposed initiative that would increase the gaming tax by nearly 300%; taking the gaming tax from 6.75 to 20.2%. That proposal, filed by a southern Nevada lawyer, has also been challenged by the Nevada Resort Association and is scheduled for a February 11 hearing.

"I encourage Nevadans to reject such antigrowth policy proposals that would take the state in the wrong direction," continued Norquist. **Nevada's favorable tax climate has been a boon to the state; resulting in new jobs, investment, and new residents. Reversing this course with punitive and substantial tax hikes on an industry that is vital to the states economic health would have an extremely adverse impact on not only the gaming industry, but the entire Nevada economy."**

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 John Kartch at (202) 785-0266 or at jkartch@atr.org.

###