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Delaware Beware

Legislature considers new taxes

WASHINGTON D.C.—As Delaware’s budget session continues, the possibility of new taxes looms large on the horizon for taxpayers.

Legislators are considering a host of new or increased taxes. On the table are – among other things - repealing parts of a gross receipts tax cut from 2005, increasing taxes on alcoholic beverages by as much as 50 percent, increasing the real estate transfer tax, creating a new income tax bracket, as well as various fee increases.

“Not only do these potential tax increases signify an additional burden for the taxpayers, they also represent a continued adherence to an irresponsible policy,” said Grover Norquist, president of Americans for Tax Reform. “Raising taxes is not an effective or responsible long term fiscal solution as the desire for spending, if left unchecked will invariably outpace revenue.”

While many legislators on both sides of the political spectrum have been looking to taxes, Sen. Colin Bonini (R-Dover South) had choice words for the rest of the legislature, saying he would vote against any tax increase in the senate, because he sees the problem with the state’s budget as a spending crisis, *not* a revenue crisis.

“The Delaware legislature must re-examine its priorities,” said Norquist. “When a state resorts to passing one tax increase after another, there is a strong suspicion that there is a problem of chronic overspending. In this time of record prices on both food and gas, adding additional taxes to an already struggling populace would be both harmful and irresponsible.”