



Tax Alert

A bi-weekly Report by Damon B. Ansell and Kate Meerstein

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2000 Ballot Initiatives

Alaska - **Property Tax Cap** - Failed 29% -71% LOSS for taxpayers

Arizona - **Sales Tax Increase from 5% to 5.6%** - Passed 54% - 46% LOSS for taxpayers

California - Prop 37 - **Redefines as taxes any compulsory fees enacted by state or local government after July 1, 1999 and maintains the 2/3 vote rule** - Failed 48% - 52% LOSS for taxpayers

Prop 38 - **School Vouchers** - Failed 29%-71%

Prop 39 - **Local School Bond Approval** - Authorize bonds for construction, reconstruction or replacement of school facilities if approved by 55% vote instead of the 2/3 requirement- Passed 53%-47% LOSS for taxpayers

Colorado - **Tax Reduction** - reduce taxes by \$25 first year and increase the reduction by \$25 every year until they are repealed - Failed 34% - 66% LOSS for taxpayers

Property Tax Relief for Senior Citizens - Passed 57% - 43% WIN for taxpayers

Louisiana - **Income Taxes** - deletes the requirement that federal taxes paid are deductible from both corporate and individual income taxes - Failed 37% - 63% WIN for taxpayers

Tax exemptions of food for home consumption, natural gas, electricity, and water from sales and use tax - Passed 51% - 49% WIN for taxpayers

Massachusetts - **Income Tax Rollback to 5% from 5.95%** - Passed 60% - 40% WIN for taxpayers

Michigan - **School Choice/Vouchers** - Failed 31% - 69%

Montana - **Repeal Inheritance Taxes** - Passed 67% - 33% WIN for taxpayers

Oregon - **Federal Income Tax Deduction** - Make all federal income tax paid by personal and corporate income taxpayers a deduction on the Oregon income tax returns - Failed 55% - 45% LOSS for taxpayers

Requires voter approval of most new and increased taxes and fees - Failed 60% - 40% LOSS for taxpayers

Requires payment to landowner if government regulation reduces property value - Passed 55% - 45% - WIN for taxpayers

Federal deductible from state income taxes boosted from \$3000 to \$5000 - Passed 52% - 48%

Constitutional amendment requiring refunds of excess revenues to taxpayers - Passed 63% - 37% WIN for taxpayers

South Dakota - **Prohibits a state inheritance tax** - Passed 80% - 20% WIN for taxpayers

Washington - Initiative 722 - **Declare null and void tax and fee increases** adopted without voter approval by state and local governments between July and December 1999. Vehicles would be exempted from property taxes and property taxes would be limited to the lower of 2% or inflation starting with the 1999 valuation. - Passed 57% - 43% WIN for taxpayers

State Legislative Control - Republicans now control 24 state houses, 23 state senates and 29 governorships while the Democrats control 25 state houses, 22 state senates and 19 governorships. Republicans and Democrats each control 17 states totally. Arizona, Maine, Missouri and South Carolina all have evenly split senates.