



AMERICANS
for TAX REFORM

Grover G. Norquist
President

January 26, 2009

VOTE “No” on H.R.2/S.275!

ATR WILL RATE VOTE AGAINST THE CHILDREN’S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2009

S-CHIP stands as a misguided attempt to address health insurance for children. Instead of morphing the program into a universal entitlement, ATR urges Congress to seek free market reforms to empower low-income working families and strengthen access to private health care coverage.

Raising the tobacco tax to fund S-CHIP creates a lose-lose situation. A higher tax rate will not only scapegoat a segment of Americans for using a legal product, but will also hurt small businesses which often lean on tobacco sales to stay in business. As small businesses are the engine of job creation in the U.S., raising the tax on tobacco could destroy American jobs.

This tobacco tax increase follows the absurd rationale of discouraging a behavior on the one hand while at the same time relying on its continuance as a revenue stream. With tobacco use already in decline, funding an expansion of S-CHIP on an already-declining revenue stream is irresponsible and dangerous policy.

Ultimately, the tobacco tax serves as a placeholder for the next tax increase that will likely be required to sustain funding levels once revenues from the tobacco tax dry up.

*Stand up for taxpayers and reject a tax increase to
reauthorize/expand S-CHIP!*

*****ATR WILL RATE A VOTE AGAINST H.R.2/S.275 *****

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