



# NEWS

## AMERICANS FOR TAX REFORM

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## California Fact of the Day #1 Higher Taxes with Zero Accountability

Advocates of increased spending and higher taxes in California have set their sights on another source for revenue: *telephone services*. Proposition 67 would increase the telephone tax 400 percent with less than 1 percent of the revenue actually being directed towards the 911 system.

### Tax Increase for “Healthcare Services” Will Actually Tax Californians to Death.

Governor Schwarzenegger recently announced his opposition to the measure calling it “poor public policy for California at this time”. Californians are fed up with policies remnant of the Gray Davis tenure; *policies riddled with higher taxes and zero accountability*.

### **If Prop 67 passes, CA residents will notice:**

**\$540 million per year in new taxes.** The measure will inflict a 400% tax increase, with no limit on how high cellular and business phones will be taxed. Only residential phones will possess a cap.

**Zero accountability.** Prop 67 in no way requires that new taxes be dedicated to improving California’s healthcare system, and offers no audit system to monitor how the funding is spent.

**Less than 1% for 911 services.** A Legislative Analyst’s Office Report found that only .75% of the increased phone tax would actually be used for the 911 system. In comparison, 3.75% would go to the Firefighter’s Union, 5% would go to Community Clinics, and the remaining 90.5% would be added to the coffers of hospitals and doctors.

**With only  $\frac{3}{4}$  of 1% dedicated to support the 911 system in CA, it’s pretty clear that supporters of Prop 67 have ZERO interest in fixing the system.**

## **Vote No on Proposition 67!**

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 Chris Butler at (202) 785-0266 or at [cbutler@atr.org](mailto:cbutler@atr.org).