



# NEWS

## AMERICANS FOR TAX REFORM

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## Tax Increases are Never Temporary

*Referenda C and D seek to permanently raise taxes and weaken TABOR*

**Washington, D.C.**—This November, Coloradans will take to the polls to vote on Referenda C and D, to decide if they want state government to keep all excess revenue beyond the spending limit set by the Taxpayer Bill of Rights (TABOR). **Passage of the measures will result in the largest tax increase in Colorado history, amounting to over \$3.6 billion.**

Proponents of Ref C and D claim these measures are only a temporary five year “time-out” from TABOR that will not raise taxes. But the referenda do in fact raise taxes by allowing the state government to fund spending increases with \$3.6 billion that would otherwise be returned to taxpayers. Beyond this, these measures would strike a lasting blow to TABOR by **permanently** increasing the TABOR-imposed state spending limit to the peak of the newly-permitted spending within the first five years after the two referenda passed. This pulls the rug out from under TABOR by crippling its spending restraint provision and laying the groundwork for more similar damage after 2010. There is nothing temporary about the C and D tax and spending increase.

**“There is no such thing as a temporary tax increase,”** stated Grover Norquist, President of Americans for Tax Reform, **“By permanently increasing the amount of money the state can spend you also increase the amount the state will tax; plain and simple. Throwing more money at a spending problem only encourages bad spending habits and never gets to the root of the problem. What happens in five years when the government has not learned its lesson and budgeted responsibly: Another ‘temporary’ tax increase.”**

If passed, Referenda C and D will allow state government to keep TABOR overpayments normally returned to Colorado taxpayers estimated at \$3500 per family. This excess revenue will increase funding for government expansion in health care, transportation, and education.

**“Big spenders have been seeking to destroy TABOR for 13 years,”** continued Norquist. **“Now they think they’ve found a way. C and D will create a breach in the wall, through which will pass the entire tax-and-spend army. There is nothing ‘temporary’ being proposed here. Colorado’s spending interests are playing for a permanent new revenue stream.”**

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).

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