



AMERICANS FOR TAX REFORM

Tax Me More Funds: Highlighting the Tax Hiker's Hypocrisy

A major challenge state lawmakers face when debating fiscal policy changes is the argument from the tax-and-spend crowd that they are not paying enough in taxes. One useful tool for fiscally conservative lawmakers to challenge this claim, whether there are tax increases or tax cuts on the table, is the Tax Me More Fund.

There are currently at least six states that have accounts available for voluntary contributions from taxpayers. The fact that these funds remain fairly dry is indicative of the hypocrisy on the part of those calling for higher taxes. While big spenders are more than willing to talk the talk, one glance at the states' tax me more funds reveals that talk, unlike government spending, is cheap.

States with Tax Me More Funds

- Arkansas
 - Gov. Huckabee created "Tax Me More Fund" in December, 2001 by executive order
- Massachusetts
 - CLT was leader in developing tax me more fund proposal in 2000-2001 (although Huckabee created AR fund before it was approved in MA)
 - After succeeding in reducing income taxes in a 2000 referendum, VOTE was a way for opponents to voluntarily pay at the old rate. Legislature added a checkbox on its state tax forms in 2001 that allows the taxpayer to decide which tax rate he wants to pay: 5.3% or 5.85%.
 - Called "VOTE," the acronym for Voluntary Optional Tax Endowment
- Montana
 - Voluntary contributions may be sent to the state Department of Revenue
- New Hampshire
 - In 2003, Gov. Craig Benson established the "Tax Me More" account
 - Anyone wishing to pay higher taxes can make their checks payable to "The State of NH / Tax Me More Account" and mail their checks to Administrative Services, Room 120, Statehouse Annex, Concord, NH, 03301. All voluntary tax payments should be accompanied by the "Tax Me More" tax form. Copies of the form are available the Governor's Customer Service Department and can be obtained by calling (603) 271-7626
- Oklahoma
 - Oklahoma statutes (Title 60, Section 383) allow voluntary contributions to state government to be sent to the Office of State Finance, 2300 N. Lincoln Boulevard, Room 122, Oklahoma City, OK 73105.
- Virginia
 - General Fund Donation
 - Passed in 2002, allows direct donations by writing a check payable to the State Treasurer

Several other states have debated establishing a Tax Me More Fund including: Arizona, Alaska, California, Iowa, Kansas, Maryland, Minnesota, Missouri, Nebraska, New Jersey, Oregon, Pennsylvania and Washington. For more information and model legislation, please visit <http://www.atr.org/state/projects/taxmemore.html>.