



# AMERICANS *for* TAX REFORM

Grover G. Norquist  
*President*

February 27, 2008

Dear Legislator,

As you continue to debate the latest version of the GREAT plan, I urge you to take into consideration all of the moving parts of this package and ensure that taxpayers will truly be rewarded for the fruits of your labors. Before enacting comprehensive tax “reform”, please step back and consider the implications of each piece of the package.

Many of you have pledged to your constituents that you will oppose and fight against any efforts to raise taxes. As a result, you will want to ensure that the result of this package is at minimum, revenue neutral, or better yet, an overall tax cut.

In its current form, the package contains one key element to ensuring that this reform effort is a victory for taxpayers: assessment and millage rate limits. Without these essential taxpayer protections, you run the risk of enacting only “loosely-stitched” property tax relief that could easily be undone in future legislative sessions.

Without the guarantee of limitations to local spending, Georgians could be subject to increased local spending (supplemented by higher assessment and millage rates) on top of higher grocery and services bills. If these taxpayer protections are dropped, this package runs the risk of becoming a tax increase.

In stark contrast to the rate limits, one element of this package potentially disables the viability of your “reform” effort. Calling for an expansion of the states sales tax to include what appears to be a telephone-book listing of services, is a move that both harms the taxpayer and is likely to cause great contention if passed.

In the last 6 months, Michigan and Maryland each passed a similar services tax, which were immediately opposed by voters throughout the state. Michigan legislators were forced to overturn their tax, while Maryland legislators are currently working to do the same. **It seems that taxpayers do not respond well when winners and losers are selected by their elected officials.**

Experience in other states shows that the more moving parts involved in a tax “reform” package, the greater the risk of unintended consequences. **Taxpayers oftentimes find themselves on the losing side of the bargain when comprehensive “reform” is on the table.**

**Bearing this in mind, I urge you to proceed with caution.** Rumor has it that this bill continues to develop and that all of the aforementioned elements may

1920 L Street NW

Suite 200

Washington, DC

20036

T: (202) 785-0266

F: (202) 785-0261

[www.atr.org](http://www.atr.org)



# AMERICANS *for* TAX REFORM

Grover G. Norquist  
*President*

have been subtracted or changed in the process. If that is the case, the likelihood of this package being an overall tax increase goes up exponentially. One thing is certain, if you cannot identify all the moving parts of this plan- you should be wary of what dangers may lay in store for taxpayers if it passes.

This plan, which has been modified numerous times, is now being fast-tracked with little room for legislators to analyze or fully digest the consequences to taxpayers. This is not the way to set tax policy. Barring any possibility for further review, which would help clarify certain issues and allow signers of the Taxpayer Protection Pledge to get certainty that this is in fact not a tax increase, ATR urges you to vote no on the GREAT plan.

Onward,

Grover Norquist

1920 L Street NW

Suite 200

Washington, DC

20036

T: (202) 785-0266

F: (202) 785-0261

[www.atr.org](http://www.atr.org)