



NEWS

AMERICANS FOR TAX REFORM

1920 L Street, NW • Suite 200 • Washington, DC 20036
202.785.0266 • Fax 202.785.0261

WWW.ATR.ORG

FOR IMMEDIATE RELEASE

CONTACT: Jonathan Collegio
Paul Proski
202-785-0266

12 AUGUST 2002

Candidate Endorses Tax Limitation Amendment

Michigan GOP candidate Dick Posthumus pledges support for Tax Limitation Amendment.

WASHINGTON — It's almost an epidemic: Tax increases have been proposed or passed in over thirty states across the nation this year. But one candidate in Michigan's gubernatorial race wants to permanently inoculate Michigan taxpayers from this terrible tax flu.

Gubernatorial candidate and Lt. Gov. Dick Posthumus has proposed amending the Michigan Constitution to require a three-fifths vote to increase the rate or base of any tax. The proposal is similar to a federal initiative sponsored by taxpayer watchdog group Americans for Tax Reform (ATR), which would require a two-thirds supermajority to raise taxes in Congress.

"Tax limitation is the most important domestic policy priority in America," said taxpayer advocate Grover Norquist, who heads Americans for Tax Reform (ATR) in Washington, **"and I commend Lt. Gov. Posthumus' leadership and such strong commitment to Michigan taxpayers on this issue. By endorsing this proposal, Lt. Gov. Posthumus has shown his resolve to the overburdened taxpayers of Michigan."**

Nine states have had tax limitation mechanisms in place since 1993, and an ATR analysis shows economic growth (as measured by per capita gross state product) was 10% higher and employment growth 20% higher in states with tax limitation, as compared to all other states. In addition, another study finds taxes as percentage of state income are lower in states that have enacted supermajority requirements.

These facts are particularly important for Michigan, which has the 14th highest state and local tax burden. Over the years, this burden has slowed Michigan's economic, employment, and income growth relative to other states. A supermajority requirement, according to both studies, will increase badly needed economic growth by allowing Michigan's taxpayers to keep more of their own money.

"Politics in Lansing comes down to a continuous battle between taxpayers and the government spending lobbies that want to spend their money," continued Norquist. **"The Tax Limitation Amendment will not only to control taxes, but also to tame the out-of-control spending that has been the norm for the Michigan legislature. Dick Posthumus has unmistakably sided with taxpayers, and his proposal will force the legislature to revisit the problem of government waste, and force the question 'how are we going to pay for this program?' upon the legislature."**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who support oppose all federal and state tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at jcollegio@atr.org