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Fact of the Day: Question 4 in Maine would Limit Government Growth

*TABOR would not ratchet back spending; it would limit the rate of
government growth*

WASHINGTON, D.C.— On November 3rd, the voters of Maine will decide whether they want to limit spending and taxation in Maine. If passed, Question 4 will limit the growth of annual expenditures for the General Fund, the Highway Fund, and other special revenue funds. This rate would be arrived at using the formula of population growth plus inflation. In order to spend more, the majority of both houses of the legislature and the majority of the electorate would have to approve.

Some who oppose TABOR have claimed that spending could be ratcheted back if TABOR is passed; this is a false accusation. Spending growth under TABOR would be limited, but spending would not be decreased as some have suggested. The inflation and population adjustment factors used to dictate state spending would never be less than zero.

“Question 4 would put voters in charge of how much their government’s budget can grow. The citizens of Maine should be able to limit the spending and taxation of their government, rather than seeing it grow excessively,” said Grover Norquist, President of Americans for Tax Reform. **“I hope the voters of Maine will choose to vote YES on Question 4.”**

Question 4 would also create the Tax Relief Reserve Fund. When the fund exceeds 1% of General Fund Expenditures, tax cuts would be triggered in the form of temporary or permanent broad based tax cuts.

“Government should have limits to its income and spending. The people of Maine do not see their incomes growing at such rates, why should their government be able to abide by different rules?”

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

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