



AMERICANS *for* TAX REFORM

December 21, 2009

Dear Legislator,

As Ohioans were already facing a struggling economy, Thursday night 17 Senators voted to increase taxes and further their pain this holiday season. HB 318, an \$851 million income tax increase passed by the Ohio House of Representatives in late October will be damaging to the finances of Ohio's families and businesses. There is never a good time for a tax increase, but now in these economically tough times, it would be most detrimental to any prospect of economic growth and job creation.

HB 318 was been branded by Governor Strickland as a bill putting a "freeze" on a income tax rate cut, but this was a disingenuous description of what it was actually doing. The final year of the 2005 tax cut was implemented on January 1, 2009, to roll it back would be a tax increase and detrimental to the taxpayers of Ohio. It is simply wrong to call it by any other name than what it is: a tax increase.

Moving forward, Ohio needs to seek reforms that save taxpayer dollars by streamlining government and cutting wasteful spending. In a December 17th Columbus Dispatch article by Jim Siegel, Sen. Jim Hughes, who voted against this \$851 million tax increase was quoted as saying, "We found some money that was sitting around in some of the rotary accounts. No one should have any slush funds at this time." He went on to say, "One of the main things lacking here is we're not looking at long-term solution. This is a Band-Aid approach, at best. We need to look at solutions to save money and tighten our belt." To see the entire article, see: http://www.dispatch.com/live/content/local_news/stories/2009/12/17/budget-leaves-local-senators-conflicted.html?type=rss&cat=&sid=101#story-continues.

The thoughts expressed in this article are absolutely on target. This income tax increase was the wrong way to go and short-sighted at best. Ohio needs to be seeking reforms to find savings in the state budget. With unemployment numbers hitting 10.6 percent in Ohio, now is especially a bad time to be adding tax burdens to families and businesses. I urge you to pursue savings rather than more taxes in state budgets as you move forward in building future budgets.

If you have any questions, please contact Nathan Pick, state affairs manager, at 202.785.0266.

Onward,

Grover Norquist

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T:(202)785-0266

F:(202)785-0261

www.atr.org