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NV Gov. Jim Gibbons Breaks Taxpayer Protection Pledge *Governor's Executive Budget Includes 3 Percent Room Tax Hike*

WASHINGTON D.C. – Nevada Gov. Jim Gibbons recently unveiled his executive budget for the 2009-2011 biennium. Included in the Governor's budget is a 3 percent increase in the state lodging tax, also known as the room tax.

Total state outlays are cut by less than one percent in Gibbons' budget; yet general fund revenue appropriations represent a \$340 million increase from the previous biennium. The executive budget also appropriates \$80 million from Clark and Washoe Counties over the next budget cycle. Critics contend that this provision poaches tax revenue from other levels of government in order to prop up state spending levels and could lead to tax increases for residents of both counties.

“The room tax hike is a blatant violation of the Taxpayer Protection Pledge that Gov. Gibbons' signed as a candidate.” said Grover Norquist, president of Americans for Tax Reform. **“The Governor and his staff have repeatedly and falsely asserted that it is not a violation of the Pledge if the taxed industry agrees to the hike. The Pledge is a simple one page document that includes no such loopholes or technicalities.”**

Gibbons has also claimed that he is not breaking his Pledge in raising the room tax since it was approved by Nevada voters last year. In fact, it was not approved by Nevada voters. The teachers' union put the room tax increase on the ballot in only three counties in the entire state last November and was only on as an advisory question. Advisory questions, if approved, do not result in implementation but simply require the legislature to take up the issue in the next legislative session.

“Make no mistake, the Governor's Pledge is a written promise to the citizens of Nevada, not any one organization or person, and the Governor has broken his promise to all Nevadans,” added Norquist. **“Gov. Gibbons' proposed budget is a slap in the face to taxpayers and all Nevada voters that supported him under that auspices that he was the candidate that would oppose any and all efforts to raise taxes.”**

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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