

The *time is right* for a

Taxpayer Bill of Rights

For the Citizens of Tennessee

- Tennessee citizens have lost faith in their state government because lobbyists and special interest groups dominate the budget process. Voters want more input into the decision to raise taxes and will favor candidates who fight for taxpayer rights.
- State spending has grown faster than personal income in the last 20 years. The result is a loss of purchasing power for Tennessee families.
- Government is important but Tennessee families also have other spending priorities and the citizen-taxpayers of Tennessee should ultimately determine the size of the burden of state government taxation.
- A Taxpayer Bill of Rights would assure Tennessee citizens that growth in state spending would not exceed the combined growth of inflation and population.
- A Taxpayer Bill of Rights would assure voters a direct vote on any state tax increases. (The Bryson/Casada bill does not apply to local tax increases).
- Spring Hill Tennessee recently passed a city Taxpayer Bill of Rights. The reaction has been VERY positive from citizens. Many new businesses have cited the TABOR as the deciding factor in their decision to relocate to Spring Hill.
- Colorado implemented a Taxpayer Bill of Rights in 1992 and in the 10 years since implementation economic growth, jobs growth and REVENUE GROWTH in Colorado has exceeded Tennessee. (see page 3)

Tennessee NEEDS a Taxpayer Bill of Rights to restore confidence in government and supercharge economic growth.

The TABOR is a Campaign Winner

- 1- The LONG four year fight over a state income tax
- 2- The largest sales tax increase in the history of the state in 2002
- 3- The increase in property taxes this year by many Tennessee cities and counties and the prospect of even more property tax increases next year
- 4- The recent overwhelming defeat of the tax increase in Alabama

Voters are weary and cynical of government
budgeting and spending practices

Tennesseans will support TABOR

Voters want assurances that their voice will be heard in Nashville.

The Taxpayer Bill of Rights amendment proposed by Senator Bryson and Representative Casada is a fresh and bold way to energize and excite voters.

The Bryson/Casada TABOR amendment simply proposes:

- 1- All state tax increases must be approved by voters before being implemented.
- 2- Any growth in state government revenue beyond inflation and population growth will be returned to citizens in the form of lower taxes or direct rebates.

ONLY with a Tennessee Taxpayer Bill of Rights can voters be absolutely sure that state taxes and government spending will stay under control.

The difference between candidates who endorse the TABOR and those who don't will be the difference between those who put their constituents FIRST and those who put the lobbyists and special interest groups first.

WHAT IS TABOR?

Is there proof that it works?

TABOR (the Taxpayer's Bill of Rights) is a constitutional amendment that limits government tax and spending. The mission of TABOR is to allow only those tax rate increases approved by voters.

In 1992 Colorado voted to reasonably restrain most of the growth of government and TABOR became part of the Colorado Constitution*. State government spending is limited to the growth of Colorado's population-plus-inflation in the prior year.

What are the effects of TABOR in Colorado?

** Comparing TABOR performance to the preceding ten 10 years:

- Prior to TABOR, State revenues and spending grew to twice increase in population growth. In the decade after TABOR state revenues and spending were almost equal to population growth. Tabor controlled and restrained Colorado government growth.
- Pre-TABOR, government jobs grew slightly more than business or total employment. After TABOR, business job growth nearly doubled that of government job growth.
- The TABOR surplus rebate mechanism returned to taxpayers some \$3.25 billion over five years, fiscal 1997 to 2001, amounting to about \$800 per capita-\$3,200 for an average family of four.

*Taxpayer's Bill of Rights, TABOR Amendment is found in Colorado Constitution, Article X-Revenue, Section 20

**Information from: Colorado state documents-Comprehensive Annual Financial Reports (CAFR) and "Colorado Economic Perspective" (Office of State Planning and Budgeting)-provide the data.

TENNESSEANS WANT ACCOUNTABLE GOVERNMENT

Of the people, by the people, for the people

The recent response to issues regarding budget, a lottery, and state income tax show that Tennesseans are fed up with the government doing whatever they please with the taxpayer s money.

- Taxes have continued to rise while benefits and services have decreased or stayed the same.
- Businesses are leaving Tennessee rather than being drawn to it.
- Our public educational system needs drastic improvement in national testing scores, facilities and quality of education.
- Our roadways are constantly under construction. Delays, which impede traffic and motorist safety, are commonly due to the government s lack of funds to pay the contractors.
- Now we have a lottery. Do the citizens of Tennessee trust the same people who cannot balance the budget to implement a lottery?

BEING PROACTIVE RATHER THAN REACTIVE WILL RESTORE CITIZENS TRUST

Businesses and corporations are held accountable to shareholders and to government by laws that require integrity in reporting revenue and spending. Doesn t government owe the same to the people who pay the salaries of the state government and elected officials? That is why TABOR is so important because it puts accountability on spending and taxation and restores the voice of the people.

But Tennessee already has a Taxpayers Bill of Rights on the books, you may say. While it guarantees fair and courteous treatment of taxpayers by the Tennessee Department of Revenue, user-friendly tax reforms and prompt service, nothing in the law defines fair and courteous treatment. There is nothing in Tennessee Law that protects citizens from higher taxes, puts limits on the growth of government spending, or gives voters a say in tax increases. This vague wording is *not* the kind of Taxpayers Bill of Rights that Tennesseans want.

Restore credibility and trust for Tennessee government by voting TABOR.