



League of Women Voters of Michigan ACTION ALERT

July 26, 2014

Dear Member,

LWVMI supports passage of "State Proposal 14-1, Approval or Disapproval of Amendatory Act to reduce State Use Tax and replace with a local community stabilization share to modernize the tax system to help small businesses grow and create jobs."

LWVMI bases its support on the importance of reimbursing local units of government. If the Personal Property Tax (PPT) on businesses is eliminated, funding to local governments will be reduced. This ballot proposal is an attempt to insure that local governments are at least partially reimbursed for that loss.

As many of you know, local units of government were not pleased with the PPT bills passed in 2012 because they were not going to be reimbursed enough and now they are supporting the changes adopted in 2014 because they feel they will be receiving more reimbursement. This Legislature and Governor seem resolved to give more tax cuts to businesses so this compromise was seen by the local units of government as the best "deal."

LWVMI did not join the coalition, MI Coalition for Strong and Safe Communities, that is supporting the proposal. LWVMI is not aware of any organized opposition.

Additional information and analyses can be found on our website, www.lwvmi.org.

Again, LWVMI is supporting State Proposal 14-1 because it would replace funding for local governments that would be lost with the elimination of the Personal Property Tax.

In League,
Sue Smith, President
League of Women Voters of Michigan