

ARIZONA TAX RESEARCH ASSOCIATION



PRESS RELEASE

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ATRA Board Votes to Support Proposition 100

The Arizona Tax Research Association (ATRA) Board of Directors has voted to support Proposition 100, the temporary 1-cent sales tax rate increase that has been referred to the voters on May 18, 2010.

ATRA's Board of Directors had conditioned its support for the temporary tax increase on state policymakers making meaningful progress on reducing the state's budget deficit through reductions in on-going spending. ATRA Chairman of the Board Larry Lucero said, "Both the Legislature and Governor deserve credit for making the tough budget decisions that will continue to be necessary for Arizona to return to fiscal solvency."

While supporting the temporary tax, ATRA further cautioned state policymakers to not lose sight of the fact that further budget reductions will be necessary even if Proposition 100 passes. ATRA President Kevin McCarthy said, "ATRA views the temporary tax as a management tool that will hopefully decrease the use of damaging budget gimmicks over the next three years. This tax has to be combined with further budget cuts over the next three years to ensure a balanced budget in Fiscal Year 2014."

ATRA noted that the passage of Proposition 100 will bring total state tax increases over the last two years to \$1.2 billion. At a difficult time, Arizona taxpayers are being asked to sacrifice to help solve this historic budget crisis. McCarthy noted, "In return for their support, taxpayers expect state policymakers to exercise the fiscal responsibility necessary to eliminate the specter of chronic state budget deficits."

ATRA is a statewide, non-profit, non-partisan taxpayer association representing a cross section of Arizona businesses and individuals. ATRA represents taxpayers at the state and local level, and since 1940, has been Arizona's most respected independent and accurate source of public finance and tax information.

