

NO TAX GRAB

KEY FACTS ABOUT

The “Tax Grab” Constitutional Amendment

Voters beware! Here comes another deceptive ballot initiative.

The tax-and-spend crowd is trying to get voters to sign petitions to put a constitutional amendment on Nevada’s November 2008 statewide ballot. They want people to think it’s a simple plan to increase school funding by making casinos pay higher taxes. But it’s really a deceptive, complicated measure that *would lock the biggest tax grab in Nevada history into our state constitution – and threaten higher taxes for all taxpayers.*

The Tax Grab Amendment is a blank check to spend and misuse education funds.

The initiative was written by the Nevada teachers’ union to grab more state tax revenues. It would impose a special, new 3% tax on casino revenues and require the funds to be used to increase the paychecks of all teachers and other “non-administrative” school employees – including janitors, cafeteria workers and bus drivers. There would be no limit on how high the pay increases could be, no performance standards, and no accountability controls to prove that the use of these funds is actually improving our children’s education.

The proposed tax hike would hurt our economy and cause the loss of thousands of jobs.

The initiative’s new tax actually amounts to a whopping 44% increase in the state tax paid by Las Vegas casinos and small rural casinos. This huge cost increase would especially hurt smaller casinos and could force many out of business. It would cause larger casinos to cut back on future investments and employment in our state. At a time when our economy is already slowing, we can’t afford to make local business conditions worse and lose more local jobs.

The proposed school funding formula is unfair to many Nevada schools.

The Tax Grab Amendment would also lock a totally new, unfair school funding formula into our state constitution. This new formula would give rural schools much less than their current fair share.

We shouldn’t risk locking an inflexible tax-and-spend plan into our state constitution.

The Tax Grab Amendment would prohibit any of the hundreds of millions of tax dollars it generates from being used for any other purpose. Not one penny could be used to deal with state emergencies, such as a natural disaster, a terrorist attack or a fiscal crisis caused by an economic recession. For the first time in Nevada history, this initiative would lock a special tax increase into the state constitution to benefit certain special interests – and prohibit the funds from being used for anything else.

The Tax Grab Amendment could end up forcing us all to pay higher taxes.

Our state constitution already requires the state to fund the operation of K-12 schools before funding any other state services. So, if the Tax Grab Amendment is added to the constitution and casino revenues decline, the state would be forced to cut funding for health care, public safety, roads and highways, fighting wildfires and other needs – or impose new taxes on Nevada taxpayers to make up the difference. Moreover, salaries for teachers are locked into union contracts. If teacher salaries are increased by the Tax Grab Amendment and casino revenues go down, Nevadans would be forced to pay higher property taxes to pay for those legally binding contracts.

Nevada needs a fair, responsible plan for improving education. Not this Tax Grab!

Public education in Nevada may need additional funding. But those funds should be raised and spent in a way that is fair to all Nevadans and to all schools. It should be done in a way that doesn’t create the risk of cuts in other vital services or the risk of unfunded mandates that force increases in our property tax or other taxes. And, it should be done in a way that doesn’t damage our state’s economy.

What you can do.

If you oppose the teachers’ union Tax Grab Amendment, the first thing you can do is refuse to sign their petition. Second, you can join the statewide citizens coalition – called Nevadans Against the Tax Grab – that’s being formed to oppose this deceptive and damaging initiative. You can join online by visiting our website at NoTaxGrab.com – or call us toll free at 800-577-3420.