



CITIZENS for Limited Taxation

38 Years as the Voice of Taxpayers
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February, 2012

Dear taxpayer;

Welcome to Revolution 2012!

The good news is that last month our successful “temporary” income tax rollback ballot question of 2000 was finally recognized, after being “frozen” by the Legislature in 2002 at 5.3 percent. Beacon Hill pols “thawed” it by a whole five one-hundredths of one percent, to 5.25 percent. That’s hardly reason to rejoice, but at least it’s moving in the right direction – it wasn’t *increased* last year.

- Last May *another* income tax hike bill was proposed on Beacon Hill. “An Act to Invest in Our Communities,” as it was dubbed, would have jacked back up the state’s income tax rate to 5.95 percent.

CLT associate director Chip Faulkner testified against it at the Revenue Committee hearing. “I think it’s outrageous that in this climate when people are unemployed, when gas is four bucks a gallon, there is a proposal on the table to take more money out of their pockets,” he told the committee and a packed room of tax hike advocates.

- In June, CLT worked to help get municipal health insurance reform adopted. Included in the \$30.6 billion state budget, it limits the collective bargaining rights of municipal union teachers, police officers, and firefighters. It is expected to save cities and towns at least \$100 million annually in government employee health insurance costs.

- In September, Chip Faulkner again testified before the Revenue Committee, this time in favor of CLT’s bill proposing two changes to our Proposition 2½: Overrides would be held only at a biennial state election and underrides could be put on the ballot if the signatures of 5% of the town’s registered voters were collected. This bill was one of a few submitted by CLT, and had the sponsorship of Republican Senators Hedlund, Ross and Tarr.

- October brought another call to increase the gas tax, to fund more spending on “transportation.” Much of this is needed to bail out the MBTA’s budget mess. The Patrick administration has been pushing this tax hike for years. Last month former Patrick administration Transportation Secretary James Aloisi said: “Looks like I was right all along when I said reform without revenue was meaningless – here we are again, thanks in large part to the Legislature failing to adopt the 19 cent gas tax increase and \$2 parking fee at Logan airport that the governor and I proposed in

Every Tax is a Pay Cut . . . A Tax Cut is a Pay Raise

2009..."

We'll be watching for this in the weeks to come. As *The Boston Herald* noted: "Bay State taxpayers and motorists already fork over more than \$2 billion a year in taxes, tolls and fees that are directed to spending on transportation and transit.... But until this state learns to spend smarter, how can it demand that taxpayers give more?"

- In November, freshman state Rep. James Lyons (R-Andover) almost single-handedly forced the Patrick administration to reveal that taxpayers are paying a whopping \$93 million a year for free health care to nearly 55,000 illegal aliens. For days Rep. Lyons blocked a vote on another "supplemental budget" without first being provided those statistics.

One dogged freshman state representative, with the support of a couple of Republican colleagues, was able to pry loose highly-guarded information. As one of his allies, Rep. Daniel Webster (R-Pembroke), noted: "This is only the tip of the iceberg. If \$93 million is spent annually on MassHealth benefits for illegal aliens, one can only imagine how much money in all other state sponsored benefits is being given away to those who are in our country unlawfully."

This is but one example of why fresh faces representing us in the Legislature are so desperately needed, and why more balance on Beacon Hill is critical.

With the election of Revolution 2010, voters doubled the number of fiscal conservatives in the House of Representatives, increasing Republican representation to 33. Twenty of CLT's 2½ PAC-endorsed candidates were elected to the Legislature that year, where we now have more allies. One of those is freshman Rep. Jim Lyons.

CLT's 2½ PAC is by law a separate entity; it raises funds independently and strives to elect pro-taxpayer candidates to the Legislature who sign the "No New Taxes" pledge. Many CLT members also contribute to our political action committee. Electing more fiscal conservatives will make protecting our wallets less daunting.

By the close of 2011, CLT's 2½ PAC had donated \$3,700 to ten legislative incumbents and \$4,800 to ten challengers for a total of \$8,500 in Revolution 2012 campaign "seed money." By contrast, in 2009 it had sent out \$5,200 by that December.

After a seven-week vacation at the end of last year the Legislature has returned, and Revolution 2012 has begun. In the year ahead, as the voice of Massachusetts taxpayers, CLT hopes to continue representing, defending, and advocating for your interests on Beacon Hill, as it has done for now 38 years.

As always, CLT can continue fighting for you and your interests *only* if we have your support and the continued support of many others. Your contribution is what

allows CLT to survive, to remain your lonely voice on Beacon Hill.

It was a tough year financially for all of us. CLT has survived another one, thanks to the support of enough loyal members.

As usual, CLT is chugging along on financial fumes, the shoestring is again fraying to a thread.

Please make your most generous annual membership dues contribution today.

Keep the voice of taxpayers speaking out for *you* during this, CLT's 38th year.

Help us and yourself continue to protect Prop 2½ and our wallets from the "More Is Never Enough" mob.

Thank you in advance for your anticipated contribution and renewal of your 2012 CLT membership.

Sincerely,



Chip Ford
Director of Operations

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From the desk of Barbara Anderson

**Winter of 2012: "The winter of our discontent,"
to borrow from Steinbeck and Shakespeare**

Dear Citizen for Limited Taxation,

So, after decades of taxpayer activism, warning about the dangers of Big Government, Big Business and Big Labor, here we are, in the middle of the Second American Revolution, not at all contented with the state of our union.

Most of the attention is presently focused on the national election, but of course we taxpayer activists realize: what happens or doesn't happen in Washington D.C. in the next two years is going to impact every state, every city and town, every American citizen, and much of the world.

CLT, as an ally of the National Taxpayer Union, has supported a balanced budget

amendment for over thirty years. As an ally of Grover Norquist's Americans for Tax Reform, we have supported limited government over higher tax rates. Here in Massachusetts, we've tried to set an example, with our support for local property tax limitation, our state flat tax over a graduated income tax, reform before new revenues, choice in education (charter schools).

As the federal government must deal with coming shortfalls in Social Security and Medicare, Massachusetts must deal with extraordinary levels of state debt, pension and healthcare liabilities. Moody's has identified Massachusetts as one of four states with the largest combined debt and pension obligations. Our state and local healthcare liabilities are about \$33 billion.

We've supported small businesses, while fighting Boston's Big Business community when it opposed our initiatives. We fought the union prevailing wage law that costs taxpayers so much more than necessary for infrastructure projects.

We even opposed "privatization" when it simply meant taking money from taxpayers to give to government-favored private-sector providers.

I think we've helped Massachusetts stay relatively healthy, despite our high per capita tax burden. But when/if things fall apart at the federal level, we must be prepared to fight for taxpayers here. We must make it clear that when Washington is finally forced to face its unsustainable national debt, the solution won't be higher state taxes on already overburdened Massachusetts citizens.

Even more important, when federal cuts impact the state budget, we must make sure that local aid cuts don't lead to higher property taxes. This concern I admit is one reason that I myself am still a member of Citizens for Limited Taxation, to prevent anything bad happening to Proposition 2½! Now that I'm a senior citizen with a fixed income (not counting the little COLA as inflation starts moving upward), I'm connected forever to those other activists who first joined CLT over thirty years ago to limit property taxes!

Yours truly,



Barbara Anderson
Executive Director

I'll help CLT keep fighting for me!

Enclosed is my membership contribution of:

OTHER _____ \$1000 \$500 \$250 \$100 \$50 \$30

Please Print Clearly

NAME: _____

ADDRESS: _____ APT #: _____

CITY/TOWN: _____ ZIP: _____ - _____

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Please make your check payable to CLT, or to CERF

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You can e-mail CLT at: staff@cltg.org

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CLT can accept all contributions, including corporate, but they are not tax deductible. Contributions to CERF (Citizens Economic Research Foundation), CLT's non-profit educational organization, are tax deductible.

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