

CITIZENS for Limited Taxation

37 Years as the Voice of Massachusetts Taxpayers

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U.S. Senator John F. Kerry One Bowdoin Square, 10th floor Boston MA 02114 U.S. Senator John F. Kerry 218 Russell Building, 2nd floor Washington DC 20510

November 8, 2011

Re: Congressional "Supercommittee" Issues

Dear Sen. Kerry,

We know that Massachusetts labor unions are urging you to support their special interest status quo instead of doing what is best for the country. As Massachusetts' largest statewide grassroots taxpayer organization, we are writing to balance their demands with a request that you consider taxpayers and future generations of Americans who are liable for the already unsustainable national debt.

If, in the '90s, you had voted for a federal balanced budget amendment in the Senate after it passed in the House, we might not be in such severe fiscal crisis today. If you recall, it failed in the Senate by one vote. We hope you will make up for this by now supporting a constitutional amendment requiring a balanced budget, and until that can take effect, by supporting the necessary budget cuts, entitlement reforms, and limitation on the union benefits that have already led to bankruptcy in some communities.

The mission of Citizens for Limited Taxation is control over taxes at the state level, but of course we realize that Massachusetts does not exist in a vacuum and will also pay the price for lack of intelligent budgeting in Washington DC.

Our decades-long focus on taxes reflects not only a desire to let taxpayers keep more of their own money, but a perceived need to control the waste, inefficiency, mismanagement, and abuse of power and corruption that is financed by a high tax burden. However, when spending continues despite tax limitation/tax cuts, we abhor the debt and unfunded liabilities that will result in extraordinary levels of taxation or loss of essential services for our children and grandchildren.

Many people who pay little attention to government feel that a balanced approach of spending cuts and tax increases would be reasonable. We might agree were it not for the previous "grand agreements" that raised taxes but never got around to the agreed

spending cuts. From our experience, we have to assume that as soon as tax hikes are approved, the impetus for essential reforms will again be kicked down the road.

E.g. The 1982 Tax Equity and Fiscal Responsibility Act. President Reagan agreed to a budget deal with Congressional Democrats that promised \$3 in spending cuts for every \$1 in tax cuts. We got the largest peacetime tax increase in American history, without spending restraint. E.g. The 1990 Budget Deal. President George H.W. Bush agreed to raise \$1 in taxes in return for \$2 in cuts. Taxes went up, and so did spending.

So we're not Charlie Brown, trying to <u>kick that football again</u>. This time, Lucy, spending cuts first, then we can talk about revenues, that we'll expect to see earmarked for bringing down the national debt instead of being spent on new programs and bailouts.

And once spending cuts are enacted to balance this year's budget and begin to control the national debt, it will be time to do a complete overhaul of the national tax system, simplifying it to the point where Big Government can no longer team up with lobbyists from Big Labor and Big Business to overwhelm the resources of the "unconnected" American people whom, we hope, are organizing themselves into Big Voters for November 2012.

Thank you for your attention.

Sincerely,

Barbara Anderson

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Executive Director