

# NFIB®

The Voice of Small Business

To: Honorable Members of the House Tax Policy Committee

From: Charlie Owens, NFIB/MI State Director

Date: June 9, 2010

RE: House Bills 6217-6220

We are writing to voice our opposition to these bills that would expand the sales tax to a number of items currently exempted: newspapers, movies, magazines and food items sold in vending machines. According to the House Fiscal Agency, the additional revenue for expanding the sales tax for these items would amount to \$40 to \$55 million.

House inaction earlier this year on resolutions that would have suspended union state employee pay raises of three percent, will result in \$83 million more in spending. This despite the fact that non-union state employees had their planned pay raise eliminated, and both union and non-union state employees enjoy pay and benefits well in excess of the average for private sector workers.

In our view, lawmakers in that cannot say “NO” to a pay raise for union state employees during a budget crisis have no business asking the state’s struggling taxpayers and small businesses owners for one thin dime of extra revenue.

NFIB will be opposing these and other attempts at “revenue enhancement” and will let voters know in November who supported this contradictory fiscal policy.

We urge you to oppose these bills and we thank you for your support of small business.