



ARE MICHIGAN BUSINESSES & FAMILIES BEING SCAMMED WITH TAXES?

The Michigan legislature is apparently scurrying once again at the eleventh hour to address the state's budget crisis through increased taxation upon service firms before a December 1st deadline. However, Michigan citizens have been extremely vocal against such a tax upon services yet the legislature appears to be steadfast in its determination to add additional taxation upon selected businesses and individuals.

These short-term, band-aid fixes to our budget crisis come at very high costs to businesses and individuals alike. Only selected services businesses will apparently face these income taxes, while others such as law firms have been exempted. It is thus easy to presume a perception that attorneys, who as a class make significant campaign contributions to politicians, have been treated with undue favoritism.

Special tax breaks and credits for certain industries and individuals in the past have obviously not guaranteed fiscal budget revenues, business longevity, and worst, have served to disadvantage and discourage all Michigan business types and sizes. Are we being scammed?

Recent analysis appears to demonstrate that a single sales tax rate for all individuals and all businesses alike based solely upon retail sales would more than adequately balance our state budget and ensure adequate revenues to operate a smaller state government. Such a tax would completely replace the current Michigan Business tax, Personal Property Tax, and the individual income taxes...all with one single, slightly higher sales tax for everyone with no loopholes or favoritism. In addition, its provisions protect all families...low income to the wealthy while our tourists will make more significant revenue contributions as well.

This apparent answer to our state's financial woes is called the Michigan Fair Tax Proposal and its been on the table in Lansing in the form of House Joint Resolution (L) since last May yet apparently neither the legislature nor the state's press and media seem to be giving it the serious considerations it deserves. Instead, lawmakers have opted to burdening Michigan taxpayers with simply more taxes and creating business vacuums throughout the state as more firms and families depart for more financially viable states.

Sponsors state..."The Michigan Fair Tax is real and lasting tax reform as it eliminates the corrupting sale and purchase of tax favors between special interest lobbyists and government officials...it is a tax on consumption rather than income and treats everyone equally as our Founding Fathers intended."

We believe this type of tax reform has the potential to favorably revolutionize the Michigan economy for all its businesses and families and should be promptly and thoroughly evaluated.

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