

## House Republican Press Release

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### **Rep. Williams Will Oppose Income Tax Increase; Other Tax Hike Proposals**



#### ***Proposed Tax Increases Hurt Middle Class Families; Cripple Economy; Worsen Business Climate; Kill Jobs***

State Representative Sean Williams today pledged to oppose proposals to raise the state income tax and other state taxes, warning that if taxes go up, Connecticut's economy will stagnate, the business climate will worsen; the job market will dry up; unemployment will increase; and middle class families will take the hardest hit.

“Connecticut residents already bear one of the heaviest tax burdens in the country and I will oppose any attempts by the state legislature to add to it this year,” said Representative Williams, R-68<sup>th</sup> District. “Middle class families are already having trouble paying their utility and home heating bills, keeping their cars’ gasoline tanks filled, paying their mortgages and feeding their children. Even with both parents working, families are having trouble making ends meet. We simply cannot afford another tax increase.”

“When middle class family incomes decline when their taxes go up, they are forced to economize by spending their money only on essentials and putting off expenditures on items such as new homes, cars, furniture and appliances,” Representative Williams said. “That means businesses that depend on discretionary spending suffer as well. When people are not buying the products they sell, profits decline and businesses are forced to cut expenses. They stop hiring new employees and lay people off.”

“Although it is hard for many people to believe, tax cuts often produce higher governmental revenues than tax increases and several recent examples prove this point. At the federal level, Congress cut tax rates in the mid-1990s and the federal government realized an almost 40% increase in new revenue,” Representative Williams said. “More recently, despite massive spending increases at the federal level, President Bush's tax cuts have drastically increased revenues and cut the deficit from last year. And on a more local level, Connecticut's tax cuts in the mid-1990s produced a significant stream of new revenue which helped our state out of economic stagnation.”

“Instead of talking about raising the income tax, we should be discussing how to lower the tax burden on families, individuals and businesses in Connecticut,” Representative Williams said. “When taxes are low, people have more money and are more willing to spend it than they are when times are hard. When people are spending money, businesses sell more goods and hire more employees. When more people are working and earning more, the state takes in more revenues and can afford to spend more on government services – without raising taxes.”

“While I support many of Governor Rell’s initiatives, I also believe that state government must live within its means. If the state legislature wants to spend more taxpayer dollars on new or expanded government programs, it should look first at reducing spending in other areas and eliminating programs that are not working,” Representative Williams said. “The people of Connecticut have been living within their incomes for years. State government should do the same.”