

House Republican Press Release

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Rep. Williams: No to Majority Democrats' Tax Hike Package; Yes to a No Tax Increase Budget



With the 2007 Legislative session moving quickly toward adjournment June 6th, the Democrat majority at the General Assembly needs to get serious about negotiating a state budget that spends less and does not increase taxes, state Representative Sean Williams said today.

The Democrats' tax package, which called for a net increase in taxes of \$411 million in 2008 and \$319 million in 2009 to support an increase in state spending of about 10.5 percent, passed the state House Thursday on a mostly party-line 90-58 vote, with all 44 House Republicans voting against the proposal (House Bill 7400). The bill passed the state Senate on a 19-17 vote.

Governor Rell vetoed the tax plan less than an hour after receiving it. The bill failed to garner enough Democratic votes in the either the House or the Senate to override the governor's veto.

"I voted against the Democrat proposal because it would have imposed a massive tax increase on the state that was neither justified nor needed," said Representative Williams, R-68th District. "With a surplus of almost \$900 million and growing, there is no excuse for raising taxes. The Democrat tax plan also would have eliminated tax exemptions for clothing and funeral expenses and reduced the business tax credit from 70 to 60 percent."

"In addition, because many small businesses file under the personal income tax rather than the corporate income tax, their tax plan would have been devastating to Connecticut's entrepreneurs. They are the economic engine that drives the state. If the Democrat tax hikes had become law, it could have meant the loss of thousands of jobs," Representative Williams said.

"A few weeks ago, we developed a 'No Tax Increase' budget that clearly demonstrated how we could pay for state programs and increase funding in a few critical areas without raising taxes," Representative Williams said. "A few days later, a Quinnipiac University poll showed that more people supported our plan than either the Democrats' proposal or Governor Rell's original budget. For the past four or five weeks, our constituents have been saying no to more spending and higher taxes."

"Now that budget negotiations between Republican and Democrat legislative leaders and the governor's representatives are finally getting serious, it is time for the General Assembly's majority Democrats to show they have gotten the message. They need to back off from their gold-plated spending plans and their tax increases. We already bear the heaviest tax burden in the country. What the people of Connecticut need is a strong

economy that creates jobs – not a tax increase that will worsen the business climate and throw more people out of work,” Representative Williams said.