

Missourians For Fair Taxation

The Issue

Statewide ballot initiatives have been filed with the Missouri Secretary of State to amend the Missouri Constitution and replace our state income tax with an **expanded sales tax on almost everything**, including transactions previously exempt from the state sales tax. This new unfair tax will hurt millions of hard-working Missourians, their families, senior citizens and our neighbors with low- and middle-incomes.

The so-called "Missouri Taxpayer Relief Act" would dump Missouri's state personal income tax while imposing a much higher state sales tax on items Missourians buy every day, from groceries to clothes to cradles to caskets, as well as putting new taxes on vital items from medicine and doctor visits to childrens' day care. It's a true **Almost Everything Tax**.

Why it must be defeated

HIGHER TAXES ON BASIC NECESSITIES

The proposed Almost Everything Tax would more than quadruple Missouri's sales tax on groceries, such as bread, milk, baby formula and other basics families buy every day. In 2010, Missourians spent \$14.171 billion on food for home consumption. Applying the 5.5 percent Almost Everything Tax would mean Missourians shoulder \$779.4 million in new sales taxes on food. For an average family of four spending \$705 per month on a low-cost food plan¹, this would mean nearly an additional \$39 per month in new taxes under the Almost Everything Tax at the 5.5 percent state rate, or \$468 per year in new state sales taxes on food.

INCREASED MEDICAL COSTS

Thousands of families are already struggling with the cost of health insurance and rising deductibles. The Almost Everything Tax will add a state sales tax of up to 7 percent on expensive medical bills, plus the local sales tax of up to 3 percent, so even if the insurance company pays the bill you may still have to pay sales taxes.

DEEP CUTS TO BASIC SERVICES

The Almost Everything Tax will force devastating cuts to the services that enable Missourians and Missouri businesses to survive and thrive. This new tax structure would result in a shortfall of potentially \$2.5 billion in general revenue², which would require deep cuts in K-12 education, higher education, health and mental health, and the services that result in a safe and healthy environment.³ The Almost Everything Tax would not allow us to make investments in infrastructure or basic services (for the foreseeable future) that are needed to make Missouri a desirable place to live, work, and raise a family.⁴

DECREASED FUNDING FOR SCHOOLS & SAFETY

Under the Almost Everything Tax, if the massive sales tax revenue shortfall is spread proportionally among various state services, K-12 funding would be slashed roughly \$868 million, while higher education would be cut \$291 million, and public safety, prisons and the courts would lose almost \$272 million.

DANGEROUS CUTS TO MISSOURI'S SENIORS

Social services and Medicaid would lose almost \$466 million under the Almost Everything Tax, and programs for senior services, health and mental health would be cut nearly \$263 million. In this economic downturn, the Almost Everything Tax would be devastating to Missouri seniors & low-income citizens.

1. Average cost per month for family of four on a low-cost food plan according to figures from the USDA

2. About one-third of total general revenue

3. Missouri Budget Project

4. Ibid

How the Almost Everything Tax impacts you and your family:

- It **QUADRUPLES** the state sales tax on groceries, harming families, seniors and low-and-middle income Missourians, but not the bad idea's billionaire backer, who would have his income taxes reduced.
- It puts **NEW HIGHER SALES TAXES** on almost everything Missourians purchase every day, from births to funerals. It is truly a cradle to grave tax on **Almost Everything**.
- It forces a **BUDGET SHORTFALL OF POTENTIALLY \$2.5 BILLION** in Missouri state general revenues on which we rely for essential services including public schools and prisons.
- It creates **MASSIVE NEW GOVERNMENT BUREAUCRACY**, including hiring **MORE GOVERNMENT LAWYERS** to fight inevitable lawsuits over this risky unfair tax scheme, and...
- IT HAS NO EFFECT ON THE FEDERAL INCOME TAX**

Decline to Sign

If you are presented with a petition to sign what is called the "Missouri Taxpayer Relief Act", know that it is really a Missouri Taxpayer Deceit Act - establishing the **Almost Everything Tax** on purchases Missourians make every day.

Please encourage your associates, co-workers, family members and friends to **Decline to Sign** the **Almost Everything Tax** petition.

Visit us on the web at DeclineToSign.org or MissouriansForFairTaxation.com.

Why Decline to Sign?

x4
SALES TAXES

Quadruples the state sales tax on basic necessities such as groceries


GENERAL REVENUE

Results in potentially a **\$2.5 billion state general revenue shortfall**


TAXES

Expand taxes on poor, working and middle class


STATE SERVICES

Significant cuts to essential state services



Would give sweeping powers to tax collectors

Missourians For
Fair Taxation

Missourians for Fair Taxation (MFT) is a statewide non-partisan, non-profit coalition established to inform citizens about the devastating effects the **Almost Everything Tax** would have on our neighbors, our state and our economy.

MFT has led opposition to the **Almost Everything Tax** in the courts, in budget impact research, in media coverage and in uniting influential statewide coalition partners, including the **Missouri Association of REALTORS®**, **Missouri Broadcasters Association**, **Missouri Budget Project**, **Missouri Health Care Association**, **Missouri Municipal League**, **Missouri Outdoor Advertising Association** and the **Missouri Society of**

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Missourians For
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Samuel G. Licklider,
Treasurer