

## 10 REASONS TO REJECT PROPOSITION 100

1. **Small Business Opposes It.** A survey of NFIB/Arizona's 7,500 small business members found 71 percent oppose the one-cent sales tax increase.
2. **Big Business, Big Labor Support It.** Large out-of-state corporations, healthcare special interests and government employee unions support this temporary fix to a chronically flawed state government.
3. **Tax Hikes Are Job-Killers.** This 18-percent tax hike will further exacerbate major drivers of small business failure and job loss—historically low consumer confidence and dramatically lower consumer spending.
4. **Our Sales Tax is Already Too High.** Arizona taxpayers already pay the 5<sup>th</sup> highest sales taxes in the U.S. Annually, the average Arizonan pays \$1,440.83 in sales tax which is 43 percent above the national average.
5. **Double-Digit Rate for Many.** Upon passage, 34 communities, more than a third of Arizona's cities, will have a combined state, county and local sales tax rate higher than 10 percent.
6. **Private Sector Squeezed.** State government must prioritize, economize and downsize rather than load heavier tax burdens on our citizens and small businesses.
7. **Over-Promising.** One cent of last year's sales tax collected \$751 million. Proposition 100 proponents make the unbelievable claim that their additional one cent will raise \$943 million next year, \$968 million the next and \$1 billion in the third year.
8. **Under-Delivering.** Even accepting \$2.911 billion in new revenue, the state's structural budget deficit will still total more than \$6.5 billion over the three-year life of the tax hike.
9. **Inevitable Spending Cuts.** With annual deficits remaining in the billions of dollars even after passage, threats to popular spending programs will remain and grow.
10. **Common Sense.** "The last thing we want to do is raise taxes in the middle of a recession," President Barack Obama, August 5, 2009.

### Farrell Quinlan

State Director

National Federation of Independent Business – Arizona

Address: 3550 North Central Avenue, Suite 1806, Phoenix, Arizona 85012

Phone: (602) 263-7690

### Michael A. Crowe

Chairman, Leadership Council

National Federation of Independent Business – Arizona

Address: Crowe & Associates, Inc., 1108 East Greenway, Suite #1, Mesa, Arizona 85203

Phone: [REDACTED]