

Will we still need all those increased fees in the Governor's budget? And what about all of the Proposition 2 1/2 overrides to make up for local aid cuts?

Most of them wouldn't be needed. These type of taxes fall heavily on moderate and lower income people, and they just make it harder to achieve tax fairness.

Don't we need to eliminate waste?

Definitely! The effectiveness and efficiency of many programs - from health care to criminal justice, welfare, and energy - can be vastly improved. But program improvements cannot be created by across-the-board cuts or hasty, bureaucratic reorganizations. These will decrease the efficiency of government programs and shift costs onto ordinary people. We must begin to implement effective program reforms, but must continue to fund vital programs while this is being done.

What about "Taxachusetts"? Will our taxes be too high if we fund all the vital services?

The Taxachusetts myth is outdated. *We are not* a high tax state. Look how we compare with other states:

- 30th in total taxes (state & local) per \$100 income
- 44th in total taxes and fees per \$100 income
- 42nd in number of public employees (as a percentage of residents)
- 45th in Government Spending (as a percentage of personal income)

Massachusetts isn't raising enough revenue to maintain its vital services.

Will increasing tax revenues hurt the economy?

No. Studies show that there is no relationship between tax levels and employment. What really drives employment is the quality of the workforce—skills, and education. Damaging budget cuts will actually lower the quality of the workforce and weaken our economy.

Sign the petition for tax fairness!

Show your support by signing the Fair Taxes for Healthy Communities petition. This petition asks the Massachusetts Legislature to save vital services with fair taxes. To get a copy, contact MCHC. Or go to the MCHC website, www.masschc.org.

About MCHC

The Massachusetts Coalition for Healthy Communities is a new, nonpartisan public interest group. Our mission is to protect our communities by putting new ideas on the table. We believe that people have to provide the leadership that's missing in the money-driven political culture of Beacon Hill. Since our founding, the response of people across Massachusetts has been incredible. Please join with us to save our communities and bring about fair taxes and real democracy. Return the form below to MCHC. Or go to our website and fill in the online form.

Thank you!

Yes, count me as a supporter of MCHC.

Name: _____

Address: _____

Town: _____ Zip: _____

Email: _____

Telephone: _____

I'd like to volunteer to help with office work, organizing, issue research, writing for the website, or other activities.

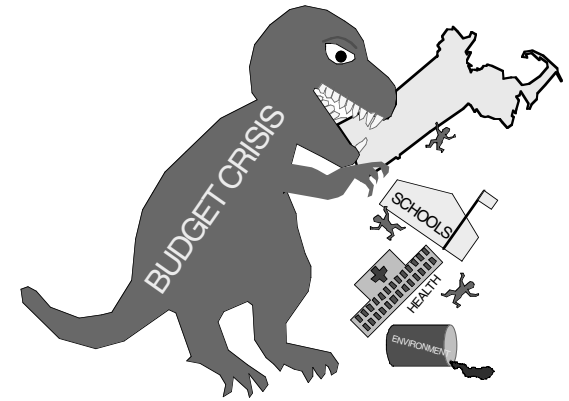
I'm enclosing a tax deductible contribution of \$_____ to help MCHC with its mission.

Massachusetts Coalition for Healthy Communities

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The Monster That's Eating Massachusetts



And How To Stop Him!

Save vital services! Demand fair taxes!

Beacon Hill's budget cuts are

- Destructive
- Short sighted
- Unnecessary

We must act now to save our

- Schools
- Health care
- Affordable housing
- Environment, and
- Other vital services

Massachusetts Coalition for Healthy Communities

Healthy Communities



You deserve to live in a community that has

- Good schools
- Health care for everyone
- Affordable housing
- Good jobs (with living wages)
- A clean and healthy environment
- A social safety net without holes
- Real democracy in which elected officials are responsible to the people.

Government services that support these things should be paid for with *fair taxes*. For this to happen, we need a democracy in which people have a voice in policy making.

It boils down to this:

- **HEALTHY COMMUNITIES**
- **FAIR TAXES**
- **A REAL DEMOCRACY**

We deserve all three.

We must have all to have any.

We must *work together* to make it happen.

What they don't want you to know about taxes

Is our state really too poor to fund vital services?

No, but services are being slashed anyway.

Isn't the state broke?

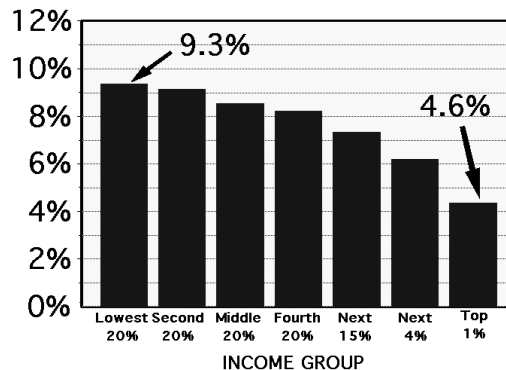
No. No. Billions of tax give-aways have been awarded to the influential donors who fund re-election campaigns. As a result, there isn't enough revenue to support important programs. It's just not fair to be increasing fees and taxes on ordinary taxpayers while the wealthy few contribute at a lower rate.

Wait a minute! You mean those who can most afford it, are contributing less than the rest of us?

Yup. When you consider all the taxes (sales, excise, property, income) used to support state and local services, as well as the loopholes and deductions, the wealthiest taxpayers pay a much smaller percentage of their income than most of us.

How much less?

The state's millionaires – the richest 1% - pay only 4.6% - about half as much as most of us. Others not quite as wealthy (the upper 19%) pay more, but still not what most of us pay. Over the last decade they got over \$3 billion in annual tax breaks.



Over \$3 billion? Isn't that about the size of the revenue shortfall?

You got it! The tax give-ways--and the numerous "loopholes"--are a big part of the problem.

Won't we all have to pay more to solve the budget crisis?

Not necessarily. About 60% of the total taxable income in Massachusetts goes to the wealthiest 20% of taxpayers. This *wealthiest* group has been paying a *smaller* tax percentage than the lower 80% for years. It's only *fair* to level the playing field a little to help solve the budget crisis.

What would fair taxation look like?

It might look like this: Let all income groups contribute the same bottom-line amount of 8.2% of their income. This would just about eliminate the budget shortfall. And *over half the taxpayers would get a tax cut*. Only the wealthiest one-fifth of taxpayers would see any increase in their tax contributions. And no one would pay more than the lower 40% have been paying for years.

That's amazing! You're saying we could cut taxes for most people and still preserve all vital services?

That's right. It only requires closing the loopholes and asking the wealthiest to pay at a rate similar to that of the rest of us. *Tax fairness* is the solution to the budget crisis.

