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**news release**

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**CONTACT** Anne Saunders

603.856.8337 x2

**Proposed Constitutional Amendment on Taxation**

**Could Still Pose Legal Problems**

CONCORD – Despite the opposition of community leaders from across the state, the Senate Internal Affairs Committee voted today to recommend passage of a constitutional amendment, CACR 13, that would prohibit any new taxes on a person’s income.

The committee members agreed to amend the legislation but did not discuss new wording, saying it would be introduced later on the Senate floor.

“Waiting until the 11th hour for new wording risks compounding the problems posed by this legislation by not providing enough time for a thorough review,” said Jeff McLynch, executive director of the New Hampshire Fiscal Policy Institute.

Nearly two dozen state and local leaders, including former Deputy House Speaker Kimon Zachos, sent the Senate a letter opposing the proposal last month. Among their concerns:

* It seeks to fix a problem that doesn’t exist given that neither the governor nor the legislature has seriously considered an income tax in recent years.
* It would lead to prolonged legal wrangling in the courts over definitions of words like “new” and “income.”
* It would deny future generations the right to make decisions about how best to meet the needs of the state and to hold their elected officials accountable.
* It would freeze the state’s tax system in place, making it hard to reduce New Hampshire’s reliance on property and business taxes.

More detailed information about these concerns can be found at <http://www.nhfpi.org/research/state-tax-policy/testimony-regarding-cacr-13.html>

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