



Children's Action Alliance

A Voice for Arizona's Children since 1988

Children's Action Alliance urges the Arizona legislature to defeat the current budget package and develop a more responsible plan.

We are very pleased to see that KidsCare coverage for children, some of the cuts to Child Protective Services, and some of the other cuts to critical services for families in DES have been restored for the FY 2010 funding plan. ***However, the combination of provisions in the budget package as a whole means that any protection for kids and education will be short lived as state revenues plummet in just a few short years.*** Please vote NO on this package because:

- It raises property taxes on homeowners while still slashing health care and education (the plan includes a reduced assessment ratio for businesses which will shift property taxes to homeowners)
- It offers a POSSIBLE TEMPORARY sales tax increase but imposes large PERMANENT tax cuts in the equalization property tax and the individual income tax
- It possibly raises the sales tax that is already high and lowers the income tax that is already low
- It shifts taxes from businesses to homeowners and from wealthier taxpayers to those in the middle and at the bottom of the income scale
- It makes dramatic changes in the state's income tax with no public debate, no substantive discussion, no financial analysis and no analysis of how the tax burdens will shift – shades of alt fuels
- By changing the definition of "income" for the state income tax, it means that many taxpayers will pay taxes on more of their income, including people paying back student loans, people with high medical expenses, people with children, and seniors (see fact sheet)
- It leaves education and health care and kids teetering on the cliff as the possible temporary sales tax increase will expire just at the time that stimulus money will be gone and the huge new income tax cut goes into effect
- It announces that Arizona chooses to remain at the bottom of the nation in education and health care and take ourselves out of the competition for high-paying jobs in the 21st century

Kids deserve better. So do taxpayers.

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