## Tax Increase Would Worsen Already High Auto Insurance Rates for Millions of Michigan Drivers, Says Michigan Chamber of Commerce

LANSING, Mich., March 8, 2016 / PRNewswire-USNewswire -- The Snyder Administration and some state lawmakers are flirting with the idea of eliminating a tax credit that currently helps offset the costs associated with covering individuals who are hurt in accidents caused by uninsured drivers. This move would worsen already high auto insurance rates for millions of Michigan drivers and likely drive up the number of uninsured motorists, says the Michigan Chamber of Commerce.



"This is an unfair targeting of an industry that provides thousands of good, stable jobs across the state and will result in a tax increase on Michigan drivers that are actually following the law," saidTricia Kinley, Senior Director of Tax & Regulatory Reform for the Michigan Chamber.

"The State Legislature has failed to act on measures to address the underlying costs of high auto insurance premiums," added Kinley. "The proposed car insurance tax hike will only make a difficult situation worse for Michigan's motorists."

"The Michigan Chamber has strong concerns with this 'car insurance' tax hike," noted Michigan Chamber President & CECRich Studley. "Ironically, just last year, many lawmakers went overboard to provide hundreds of millions of dollars in tax breaks to a Las Vegas company to locate to Michigan, despite the fact that few, if any, jobs would be created – but now want to impose a car insurance tax on stable Michigan job providers and law-abiding motorists."

"This proposal is not necessary and does not deserve to see the light of day," Kinley said. "Too many drivers in Michigan are driving illegally without insurance and the State does a poor job of enforcing the law."

"Law-abiding drivers should not be forced to pick up this tab," Kinley concluded.

The Michigan Chamber of Commerce is a statewide business organization representing approximately 6,800 employers, trade associations and local chambers of commerce. The Michigan Chamber represents businesses of every size and type in all 83 counties of the state. Michigan Chamber member businesses provide jobs to 1.5 million residents. One of every 2.6 employees in Michigan works for a Chamber member firm. The Michigan Chamber was established in 1959 to be an advocate for Michigan's job providers in the legislative, political and legal process.

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For further information: Tricia Kinley, Michigan Chamber of Commerce, (517) 371-2100

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