

Michigan Chamber of Commerce Urges State Senate to Reject \$3.2 Billion Property Tax Increase on Homeowners and Job Providers

Last Thursday, December 11th, in the dark of night, without a committee meeting or any public debate, the Michigan House approved a property tax increase on homeowners and job providers conservatively estimated at \$3.2 billion -- an unconscionable act given Michigan's current economic climate, says the Michigan Chamber of Commerce.

"This sneak attack on taxpayers was utterly irresponsible," says Michigan Chamber of Commerce President & CEO Rich Studley. "With home foreclosures in Michigan among the highest in the nation and homeowners paying higher taxes on lower property assessments, this legislation is ludicrous.

"In addition, nowhere in this legislation (House Bill 4141) is there a single cost-saving reform measure or initiative to improve student achievement," noted Jim Sandy, Executive Director of the Michigan Business Leaders for Education Excellence, an affiliate program of the Michigan Chamber Foundation. "Talk about throwing homeowners and job providers under the school bus."

Lansing-based Anderson Economic Group (AEG) has analyzed similar sinking fund legislation and has concluded that under three likely scenarios taxpayers would be required to pay between \$3.26 billion and \$7.6 billion. The AEG analysis is available on the Michigan Chamber's web site at www.michamber.com/docs/homepage/AEGanalysis.pdf.

"We urge the State Senate to kill House Bill 4141 before it further damages home ownership and our state's business climate," concluded Sandy.

The Michigan Chamber is a statewide business advocacy organization representing over 7,100 employers, trade associations, and local chambers of commerce. In 2009, the Michigan Chamber will celebrate its 50th Anniversary.

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