



COALITION TO AX THE TAX

Affiliated Building Service Contractors of MI
American Advertising Federation
American Institute of Architects – MI Chapter
Arboriculture Society of Michigan
Associated Builders and Contractors of MI
Burglar and Fire Alarm Association of MI
Council on State Taxation
Detroit Regional Chamber
Evans Distribution Systems
EWI & Associates, Inc.
Grand Rapids Area Chamber of Commerce
Lansing Regional Chamber of Commerce
MI Business and Professionals Association
MI Chapter of the American Society of Travel Agents
Michigan Apple Association
Michigan Association of Home Builders
MI Association of Insurance Agents
Michigan Association of Realtors
Michigan Association of Recreational Vehicles and Campgrounds
Michigan Chamber of Commerce
Michigan Contract Security Association
Michigan Council of Private Investigators
Michigan Dairy Foods Association
Michigan Farm Bureau
Michigan Green Industries Association
Michigan Grocers Association
MI Hotel, Motel and Resort Association
MI Manufactured Housing Association
Michigan Milk Producer's Association
MI Nursery and Landscape Association
MI Professional Bail Agents Association
Michigan Propane Gas Association
National Federation of Independent Businesses
Saginaw County Chamber of Commerce
Self Storage of Michigan
SEMCO Energy
Small Business Association of Michigan
Tree Care Industry Association

FOR IMMEDIATE RELEASE

Oct. 17, 2007

Contact: Matt Resch (517) 267-9026

MISSION: AX THE TAX

STATEWIDE COALITION ANNOUNCES PUSH TO REPEAL THE NEW SALES TAX ON SERVICES

39 GROUPS—AND COUNTING—JOIN FORCES

LANSING – With just 45 days before a new sales tax on services is imposed on Michigan consumers, an expansive and diverse group of 39 business organizations announced today they are joining forces to push for an outright repeal of the expensive, convoluted and job-killing tax.

The Ax the Tax Coalition is made up of individual job providers, trade associations and chambers of commerce from across Michigan. Members of the group are committed to working with the Legislature to repeal the sales tax on services before it goes into effect on Dec. 1, 2007. Should the Legislature fail to act, the coalition is making plans to gather petition signatures and take the repeal directly to the voters through a statewide ballot effort.

“Our message is simple: repeal this tax and repeal it before Michigan consumers and job providers take a financial hit they can’t afford,” said Aaron Samson, owner of Lush Lawn Inc. in Grand Blanc and a member of the National Federation of Independent Businesses (Contact: Charles Owens, state director, 517-485-3409). “While there is not a lot of time, there is enough time for the Legislature and the Governor to fix this mistake if they act now.”

(more)

Founding members of the Ax the Tax coalition are:

Affiliated Building Service Contractors of Michigan
American Advertising Federation
American Institute of Architects – Michigan Chapter
Arboriculture Society of Michigan
Associated Builders and Contractors of Michigan
Burglar and Fire Alarm Association of Michigan
Council on State Taxation
Detroit Regional Chamber
Evans Distribution Systems
EWI & Associates, Inc.
Grand Rapids Area Chamber of Commerce
John Bailey and Associates, Inc.
Lansing Regional Chamber of Commerce
Michigan Business and Professionals Association
Michigan Chapter of the American Society of Travel Agents
Michigan Apple Association
Michigan Association of Home Builders
Michigan Association of Insurance Agents
Michigan Association of Realtors
Michigan Association of Recreation Vehicles and Campgrounds
Michigan Chamber of Commerce
Michigan Contract Security Association
Michigan Council of Private Investigators
Michigan Dairy Foods Association
Michigan Farm Bureau
Michigan Green Industries Association
Michigan Grocers Association
Michigan Hotel, Motel and Resort Association
Michigan Manufactured Housing Association
Michigan Milk Producer's Association
Michigan Nursery and Landscape Association
Michigan Professional Bail Agents Association
Michigan Propane Gas Association
National Federation of Independent Businesses
Saginaw County Chamber of Commerce
Self Storage of Michigan
SEMCO Energy
Small Business Association of Michigan
Tree Care Industry Association

(more)

“It’s not everyday that a coalition of this size and scope comes together with a single mission in mind,” Mike Ritsema, owner of i3 Business Solutions and a member of the Grand Rapids Area Chamber of Commerce said (Contact: Jared Rodriquez, vice president of advocacy, 616-485-4312). “This coalition is large, we are growing and we are 100 percent committed to repealing the sales tax on services before it does damage to our economy and costs Michigan jobs.”

The Legislature and the Governor extended the six percent sales tax to a list of still undefined services as part of a plan to balance the fiscal year 2008 budget. The new tax was approved in the middle of the night on Sept. 30. No public hearings were held on the new tax, how it would be implemented or who would be required to pay it.

In the two weeks since the tax was passed and in response to the anger and frustration of job providers and consumers, economic leaders have been meeting to form a coalition and develop a plan to repeal the tax.

David C. Rhoa, president of Lake Michigan Mailers, Inc., and a member of the Small Business Association of Michigan (Contact: Todd Anderson, vice president of government relations, 517-482-8788) said: “With 45 days to go until this tax goes into effect, the Legislature and the Governor have both the time and the opportunity to fix this economic problem. No one underestimates the challenge that lawmakers faced in balancing the budget, but at the same time, no one should underestimate the lasting damage this tax will have on Michigan’s economy and our competitiveness.”

With today’s announcement comes the official launch of an intense lobbying and grassroots effort to push for legislative repeal, as well as the gathering of petition signatures to put a repeal before the voters.

###