



Reform before Revenues

Background

State government is experiencing reduced revenues and budget shortfalls as a result of lower tax receipts and recession impacts. The Administration and House of Representatives have advanced proposals for tax increases that will impact business, including new state taxes on rooms, meals and gasoline.

Position: The Cape Cod Chamber of Commerce opposes any effort by state government to raise taxes before comprehensive action has been taken to reform government service delivery.

- Most businesses are reeling from the economic crisis. Each business is forced to contain their own expenses while seeking new revenue, but cannot increase fees or prices just because receipts are lower without jeopardizing their customer base.
- Every effort must be made to prioritize service delivery and find efficiencies through regionalization and/or reform of key programs such as transportation, pension funds, healthcare requirements and more.
- The cumulative effect of proposed increases in fees and taxes need to be assessed.
- If after all possible reforms are accomplished, additional funding is required for infrastructure investment, we urge any revenue generation recommendations by state government should be applied in the smallest increment across the broadest group possible and utilizes an equitable redistribution formula.

Adopted by unanimous vote of the Board of Directors 04.01.09