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**Testimony of Joshua Culling**  
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**To the Maryland House Ways and Means Committee**  
**On the Taxpayer Protection Act (HB 684)**

**I. Introduction**

Chairman Hixson and Members of the Committee, my name is Joshua Culling. I am State Government Affairs Manager for the National Taxpayers Union, a nationwide grassroots taxpayer advocacy organization of 362,000 members, including more than 7,100 in Maryland.

I offer this testimony in support of the Taxpayer Protection Act (HB 684). This legislation would amend the state Constitution to require a three-fifths majority of each House of the General Assembly to approve an increase in any existing tax rate or the creation of any new tax.

Marylanders have been walloped by a flurry of tax increases recently, and NTU believes that the state needs additional safeguards against future punitive hikes. HB 684 would do just that, and provide lawmakers with a prudent pause to examine the rampant overspending that has continually plagued Maryland with budget deficits.

**II. Maryland Needs a Time-out From Tax Hikes**

Maryland taxpayers are hurting, thanks to the latest round of tax hikes to hit their wallets. For FY 2009, taxes on personal income, corporate income, sales and cigarettes were all increased. As it stands, citizens in the state had to work (on average) until April 28<sup>th</sup> last year just to pay off their total tax bill. That's the 7<sup>th</sup>-longest in the country.

Marylanders pay the 4<sup>th</sup>-highest state and local tax burden in the country, forfeiting \$5,669 to state and local government. Government in Annapolis collects more in per capita income tax revenues annually than any state other than New York. The Tax Foundation recently ranked Maryland's business tax climate as 6<sup>th</sup> worst in the nation. The year prior, Maryland's ranking was 24<sup>th</sup> – a testament to the devastation that recent policies have inflicted on the private sector in this state. Surely, the General Assembly should be able to reach a broader consensus than a simple majority to push these burdens higher and, concomitantly, push the state's dismal business tax rankings even lower.

Opponents of this measure may argue that it is un-democratic to require more than a "50+1" majority to raise taxes. But this view is not as widespread among other states' legislative bodies

as you may have been lead to believe. Thirty states across the nation have enacted some variant of a Tax and Expenditure Limitation, 16 of which incorporate voter approval or legislative “supermajority” mechanisms in their policies. Supermajority rules apply to many other activities, such as amendments to founding documents and changes to the composition of governmental bodies.

### **III. Conclusion**

In the final analysis, supermajorities exist in constitutions and charters to ensure that a broad consensus is reached for policy changes of a most fundamental nature. Few actions could be more “fundamental” than proposals to alter tax structures.

Madame Chair, I thank you for the opportunity to testify today, and for the Committee’s thoughtful consideration of this important bill.