



Media Contact:

Ken Strobeck, Executive Director
League of Arizona Cities and Towns
602-258-5786
kstrobeck@azleague.org

FOR IMMEDIATE RELEASE

LEAGUE EXECUTIVE COMMITTEE VOTES TO OPPOSE PROPOSITION 126

PHOENIX (August 30, 2018) – At their meeting August 22, the Executive Committee of the League of Arizona Cities and Towns voted to oppose Proposition 126, “The Protect Arizona Taxpayers Act.” The committee took the action for several reasons:

- It permanently removes a major sector of the economy from ever being considered for taxation by any state or local government, even if such action could result in lower taxes on other sectors of the economy;
- The Proposition is a direct preemption of local governments including charter cities;
- It creates even greater pressure on the retail goods sector of the economy, which is declining as the service sector continues to grow.
- It is unwise to make tax policy at the ballot box, particularly in the form of a Constitutional Amendment which can never be changed except by another Constitutional Amendment.

“The League is not advocating for any tax increases,” said Jay Tibshreany, the mayor of Chandler and President of the League, “but rather for the potential of making better and fairer tax policy in the future. By taking all services of any kind off the table, government at all levels will continue to have to rely on tax revenues from an increasingly narrow tax base.”

The committee recommended that voters reject Proposition 126 at the November General Election.

About the League:

The League of Arizona Cities and Towns is a voluntary association of all the 91 incorporated cities and towns in the state of Arizona. It provides policy and legislative advocacy, information and inquiry services, along with publications and educational programs to strengthen the quality and efficiency of municipal government. It was founded in 1937 to serve the interests of cities and towns and to preserve the principles of home rule and local determination. For more information, visit www.azleague.org.

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RESOLUTION IN OPPOSITION TO 2018

Proposition 126, “The Protect Arizona Taxpayers Act”

WHEREAS, **PROPOSITION 126** is a Constitutional prohibition on all future taxes on any kind of services and can never be changed except by another statewide vote of the people on a new Constitutional Amendment; and

WHEREAS, **PROPOSITION 126** is a direct preemption of municipal authority and particularly city charters; and

WHEREAS, broad-based, low rate taxes have the least overall impact on all taxpayers but **PROPOSITION 126** prohibits state and local governments from ever implementing those kinds of tax policies;

WHEREAS, most experts agree it is unwise to make irrevocable tax policy by ballot initiative such as **PROPOSITION 126**; and

WHEREAS, **PROPOSITION 126** removes the fastest-growing segment of the economy from any future taxation, foregoing an estimated \$5 billion per year, and puts even more pressure on the diminishing retails goods sector of the economy; and

NOW, THEREFORE BE IT RESOLVED, that League of Arizona Cities and Towns stands in opposition to **PROPOSITION 126** and urges Arizona voters to vote “NO” on it at the November, 2018 election.