

**Proposal 1**

As you know, over the past couple of years, several members of GVMC have been working to help eliminate the Personal Property Tax. Our goal was always to maximize and ensure continued revenue for local government. Proposal 1 on the August 5th ballot is the culmination of the long process of eliminating the PPT while providing local governments with the security that revenues will continue for essential services.

At our GMVC Board meeting last week, Mike Johnston, Vice President of the Michigan Manufactur-



er's Association presented the proposal and explained the coalition that has formed to promote it.

This proposal is truly a bi-partisan, public/private method to remove the PPT while insuring future funding for essential municipal services.

It has the support of all Michigan's governmental organizations like the MML, MTA and MAC. It also has the support of business groups including the Chambers of Com-

merce, Manufactures Association, Farm Bureau and many others. Recently AARP also added their support. There is no known organized opposition.

**The problem for local communities**

Michigan communities have struggled for years to pay for essential services like police, fire, ambulances, schools, roads and jails. Communities also battle for annual legislative appropriations in Lansing to fund other services, including roads and libraries, through revenue sharing.

**The problem for business**

The PPT is an antiquated tax that has been on the books since the 1800s. Most states in the region don't tax business equipment at all.

The PPT is a double tax on business. Each piece of equipment purchased by business pays the initial 6% sales tax and then each year after pays the PPT on the value of the equipment.

**Benefits for local communities**

Proposal 1 creates a stable, reliable funding system for communities in Michigan to pay for police, fire, ambulances, jails,

senior services, schools, libraries, roads and other community services.

**Proposal 1 comes with two guarantees**

First, 100 percent of the funding for local community services will be returned directly to your community for police, fire, senior services, ambulances, jails, schools, roads, libraries and other community services.

Second, this dedicated funding for local community services is no longer subject to the uncertainty and instability of annual legislative process.

**No tax increase - for anybody!**

Proposal 1 doesn't raise tax rates. Instead, it is paid for by eliminating special corporate tax loopholes (ie. battery tax credits) that the legislature has already voted to end, and by establishing a statewide Essential Services Assessment that is only paid for by manufacturers that will receive a significant PPT reduction.

For more information about Michigan Citizens for Strong and Safe Communities or to receive updates please follow this link:

<http://action.strongandsafecommunities.com/page/s/join-the-campaign-GVMC>