

Proposition 316 – HCR 2021 – AGAINST ARGUMENTS

Disguised as tax relief, Prop XXX was designed by the legislature to handcuff cities and towns by restricting the revenue they need to function. Gov. Katie Hobbs vetoed a similar bill in 2023 that would have cost 65 Arizona cities over \$150 million a year, blowing holes in local budgets and forcing them to slash services and raise property taxes.

When state legislators cut taxes to the bone, counties and cities have to make up the difference in order to fund essential services like firefighters, police, libraries, parks, street maintenance, and the hundreds of unnoticed benefits that make daily life possible. Mayors who have spoken up against Prop XXX say the loss of revenue it will cause will devastate their communities. For example, food tax revenue makes up more than 30% of the budget in the small town of Taylor. City officials have said a 3% food tax is a lot more equitable than adding a new property tax and concentrating that tax on homeowners.

Taxes are the price we pay for civilization. They fund the benefits and necessities our cities and towns use to function. A 6-cent surcharge on a \$3 gallon of milk is a small price to pay for this. The legislature should work on putting its own house in order, and let cities and towns manage theirs. We strongly urge a NO vote.

Melinda Iyer, Co-Director, Civic Engagement Beyond Voting, Phoenix and Catherine Sigmon, Co-Director, Civic Engagement Beyond Voting, Tempe
Sponsored by Civic Engagement Beyond Voting

Prop XXX would put a cap on your city's ability to tax food meant for home consumption. While it is being presented as tax relief, it has been designed to strip local control ("Home Rule") by increasing the Legislature's power over your municipality.

When the Legislature reduces your city's revenue, there are still many essential services and everyday needs to be funded—first responders, libraries, parks, senior services, recreation centers and street maintenance. Where would those funds come from? Slashing local budgets forces cuts in services and increases property taxes.

Smaller or rural Arizona communities often rely heavily on grocery sales taxes as their primary source of municipal income. For these towns, capping this revenue could be financially devastating.

By requiring a mandatory public vote for any minor increase to a local food tax, Prop XXX imposes an additional administrative hurdle—running local ballot measures for routine municipal budget adjustments. That's an inefficient and expensive use of taxpayer resources.

The state should show respect for our cities and towns. We are very capable of managing our own finances.

We OPPOSE Prop XXX

Gayle Shanks and Bob Sommer
Changing Hands Bookstore Co-Founders

Proposition 316 – HCR 2021 – AGAINST ARGUMENTS

Gayle Shanks, Tempe and Clive Sommer, Tempe
Sponsored by Gayle Shanks

HCR 2021 – This is a forced cap on city-imposed grocery taxes. This legislation is a significant overreach by the state legislature and shows you just how far they will go to keep any other legislative body from determining their own fate. Localities are dependent on those types of taxes. By limiting their tax base, it would have significant repercussions on their local services and support. It isn't up to the state legislature to determine a city's budget. Additionally, pushing this onto the November ballot gives us a two-page four-sided ballot. Gee thanks Jake! Vote No on Proposition HCR 2021.

Timothy Everhard, Director, Arizonans for Freedom, Peoria