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Summer Dew

SB 238

7026421538

Dear Honorable Chairman and Senators, Untitled

We are honored to be able to provide input on SB238, and thankful to the Chairman for providing this opportunity. We would also like to congratulate Chairman Mike McGinness for the quotes we saw in the Review Journal relating to SB 219.

We are thankful for all those legislators who have shown the POLITICAL COURAGE to stand up and be revelant in this battle to protect the taxpayer, the consumer, families, and businessmen small and large from Big Government. And protect us from the erosion of our rights, privacy, and freedom.

We are thankful to U.S. Congressman Jim Gibbons for providing a bulwork of freedom in the 2/3 requirement to raise taxes. May he be successful in accomplishing that in the U.S. House as well.

The average person the little guy, the consumer, and families do not have the money to buy expensive lobbyists, but still they are a powerful force, and it is for them I speak today.

That monstrous bill SB238 was available Friday, and hearings are being held on Tuesday. You could spend a year studying that bill. However a few things are obvious. It will create a Nevada IRS. The bureacracy which will spring up to enforce it will spawn thousands of pages of regulations, which they themselves ^{will} not fully understand. Over the years lawyers briefs and judicial rulings will add thousands of more pages, and STILL no one will understand it. Not even the regulators.

With the new Nevada IRS poking into every corner we will lose much freedom, many of our rights, and much of our privacy. The bureaucracy alone will absorb so much of its revenues that the tax rate will soon need to be increased.

Any law which cannot be understood is a bad law. We will make criminals of honest, hardworking citizens and encode injustice into our justice system. Thus we lose not only more of our earnings. but much in the way of rights, freedom, and justice as well.

The Gross Reciepts Tax will tax bussinesses on gross reciepts not net reciepts and will therefore be a sure recipe for increasing bankruptcies, even among the largest of the large corporations. Most bussinesses cannot absorb the cost and, it will be passed on to the consumer. The one portion of the economy certain to benefit from this legislation are bankruptcy lawyers. They will have a field day. Not only with bussinesses but with consumers pushed over the edge.

With the fall of Enron, Anderson Accounting, and the airlines, asking for
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EXHIBIT K Committee on Taxation

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bailouts
just after recieveing bailouts, we cannot expect even the large companies to absorb the cost. So much of it will be dumped on the consumers. So let's call it what it is, a tax on consumers and bussiness.

Let's look at the overall tax, bussiness and consumer climate right now. My mother and I teach a little hula class once a week. Our main emphasis is entertainment not lessons so we're lucky if we have 10 students in the class. We have been told by the Recreational Center that we now need to go out and get \$1 million worth of liability insurance, and about 7 companies on it. How are we supposed to afford that? A million dollars of insurance to practice hula! An art class with less students will have to do the same. Insurance costs (which is equivilant to a tax) are out of propotion across the board.

Every small bussines man I have talked to has said that insurance costs are crushing them. If it gets any worse they will either raise costs to consumers, fire workers, go out of business, or go into the black market. Thus again making criminals out of honest citizens.

TORT REFORM ACROSS THE BOARD WILL HELP TO ENERGIZE THE ECONOMY. AND ENERGIZING THE ECONOMY IS THE ANSWER. More Taxes will do the opposite, and people are in no position to pay higher taxes. We need to hold the line on taxes, cut insurance costs with TORT REFORM, and produce more energy to cut energy costs.

The states were in good shape in the 90's because of an energetic economy. Creating an energetic economy is the way to go. Trying to tax your way out of recession is like trying to put out a fire by putting gasoline on it. You simply create a tragic and continous cycle.

Also since our soldiers soon may be going to war, I hope the legislature will take a moment at some time to show support! My sister and I do songs such as the Green Beret, and God Bless America in our programs to show our support.

Thank you Mr. Chairman and senators for listening to my input.

Aloha,
Summer

Payla Jew
SB 228

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This is a very big bill, very heavy bill. Heavy enough to ... crush the economy.

Thank you Mr. Chairman and Senators for allowing us to provide our input today.

And I am thankful to U.S. Congressman Jim Gibbons for the 2/3 requirement to pass taxes. Considering the circumstances that cannot be said to often.

We are also thankful to U.S. Senator John Ensign for sending a letter to us in which he pointed out "Over the course of the next decade Americans will face the highest tax burden of any decade since WWII.. There are many ways in the Federal Government where efficiacy can be increased, and spending can be reduced. The presidents tax proposals allow taxpayers more individual freedom, and promote fiscal responsibility in Federal Government."

Substitute the word state for federal and you summarize our situation today. SB238 will do much more than hurt consumers, destroy jobs, send many to bankruptcy court and discourage and business. It will take some of our freedom.

The Nevada IRS it will create will go so deep into our affairs as to destroy much of our privacy and put a bureaucrat over many of our shoulders.

Consider a supermarket making a salad. The cost of each item will be pyramided. An item will be taxed before it goes into mayonaise and after it goes into the ~~after it goes into the~~ mayonaise and after it goes into the salad as mayonaise. Each item in the salad may be taxed several times. Unless you have a Nevada IRS agent standing and watching - how will he know. And if you do, what cost is there in both freedom and finances.

Stores such as supermarkets and wal-Mart often make very little money on each item and depend on volume. This is likely to put a heavy burden on them. Who can force the consequences?

Like the boy standing on top of a water tower contemplating a dare to jump off - do we really need to jump off to discover how bad the consequences will be. Is it not far better to show the political courage, to turn back from the brink and follow a wiser course?

The wiser course is economic stimulation. Taxes stagnate the economy, tax cuts stimulate the economy.

The National Taxpayers Union put out a paper stating "It was only a couple of years ago that states were not only balancing their budgets but were achieving record surpluses. How did this come about? States attained their fiscal health not because of spending restraint but rather because of a profusion of revenue. When states were comfortably balancing their budgets in the late 1990's it was happening at record levels of both taxation and spending."

Economic stimulation is part of the answer as Summer has said a million dollars of liability insurance to practice hula is insane. Such insurance is the equivalent of a tax.

TORT REFORM ACROSS THE BOARD IS NEEDED ALONG WITH PRODUCING MORE ENERGY TO CUT ENERGY COSTS. Then we should advertise to the whole world what we are doing, and watch businesses bring their jobs here.

The National Taxpayers Union pointed out "Steve Moor examined the

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ten states that cut taxes or avoided tax increases over 1990-1996, and compared them to ten states that raised taxes the most during this period. By a variety of measures over the period 1990-1997 the tax cutting states out performed the tax hikers. Employment growth, the tax cutting states saw employment rise by 16.3% over the period 1990-1997. While the tax raising states only saw employment rise only 5.3%. Income over 1990-1997 state personal income grew by 22.5% in the tax cutting states, but only by 11.3% in the tax raising states."

The CATO Institute did a similar study and compared "The results for the ten lowest and the ten highest tax states. Real income increased and average 96% during the 20 year period in the ten lowest tax states, but increased just 52% in the nine highest tax states, and DC."

Summarizing what the Cato Institute said " State tax policies have a significant impact on economic performance. States with high tax burdens are more likely to suffer economic decline, while those with low tax burdens are more likely to enjoy a more robust growth. Capital labor, and consumers searching for the best economic climate are increasingly mobile across state and international borders. Tax increases will result in few businesses, slower economic growth and a smaller tax base."

At some point spending must come under control, but if you are looking for more revenue the best way is to be the best tax haven around, and let the world know it.

On specific taxes I will say little about the particularly odious property taxes. Public sentiment is so strongly against this property tax increase ~~in~~, that we are probably safe from it.

Cigarette and Alcohol taxes are popular but if taken to extremes it may well bring serious unintended consequences. If they go to high people will go to Indian Smoke Shops, the Internet, or over state lines. If the taxes are high enough robberies will increase for the purpose of stealing cigarettes. Like money sitting on the shelf. If people sell them out of the trunks of their cars turf wars will develop between gangs. I don't smoke or drink so I don't know exactly where that price line is, but caution is greatly advised.

With Amusement taxes we are still missing the central point. Low taxes (Including insurance costs) stimulate growth, and thus revenues. Increased taxes stagnate the economy.

Capital is very fluid today and we need to be competitive to attract it. With a good tax, businesses and consumers will do well. Then we will have a more robust economy, more freedom, and more privacy. I think that's the goal, at least I hope so.

By the way since our soldiers may soon be going to war, I hope the legislature will take a moment to show appropriate support. As my sister mentioned we do songs such as the Green Beret and God Bless America in our programs to show our gratitude and support.

Thank you Mr. Chairman and Senators

Aloha,

Taylor