

# REPLACE DON'T ERASE

*Karen Majewski*

*Hamtramck mayor and Michigan Municipal League Board of Trustees President:*

Why should each of you care about the personal property tax – after all, it's a tax on businesses, not homeowners.

You should care because personal property tax revenue is one of the few dependable sources of support for your local community--these are funds that pay for your police and fire protection, your schools, your libraries, your snow removal, the funds that fix your roads and bridges, that guarantee clean drinking water and much, much more.

These are funds that pay for the services that make your community a good place to live.

The personal property tax does NOT go through Lansing and then get redistributed to you. It's collected locally and it's spent locally, on you, your neighbors, and your family. It's spent by your community on the services that you've determined are vital for creating the types of places where you want to live and raise your family, the types of places where businesses want to locate, and people want to visit.

So you SHOULD care about personal property tax because it effects the daily lives of residents all across our state, in communities of all shapes and sizes.

In my small community of Hamtramck more than 15 percent of our tax revenue is from the PPT. That's more than \$820,000 and losing even a portion of that would be devastating for our community that is already struggling to make ends meet. It would be devastating for your own communities.

But let me be clear – we are NOT saying “Don't Eliminate the Personal Property Tax.” We all agree that eliminating the PPT is a worthy public policy goal. It's a cumbersome tax that's difficult to administer and collect. What we ARE SAYING is that our

communities and the people who live in them deserve a full, GUARANTEED replacement; and the only way to guarantee replacement is through a Constitutional amendment.

Our lawmakers will say there are no guarantees and that the public won't support a Constitutional amendment. We disagree. An EPIC-MRA poll released just last week found 58 percent of voters would support a constitutional amendment to require the Legislature to fully replace all of the revenues and guarantee that the funds continue to go to local communities and local schools.

Our lawmakers have also said they'd like to hear our suggestions on how to address the personal property tax issue. Well here is our answer (HOLD IT UP) in black and white. This is language for an amendment to the state constitution. This language was hand delivered to our state Senators and Representatives yesterday.

Now I'll turn over the mic to Jon Campbell, Allegan County Commissioner and Michigan Association of Counties Board Member to explain the need for a constitutional amendment in more detail.

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