

## Anti-Tax Fever in Michigan

BY STEPHEN MOORE - September 18, 2012, 1:39 p.m. ET

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Michigan taxpayer groups have succeeded in putting an initiative on the November ballot that would amend the state constitution and require a two-thirds majority vote to raise taxes in the legislature.

More than 15 states currently have super-majority vote requirements to raise taxes. The Michigan Alliance for Prosperity, a tea party-type local citizen activist group, is one of the key sponsors of the initiative.

A recent Detroit Free Press poll found 53% support for the initiative and 37% opposition. That's not at all a safe number for passage, as normally such ballot measures need at least 60% support in polls to prevail on Election Day. One development that has hurt the taxpayer groups: the Michigan Chamber of Commerce came out against the measure, arguing that it could preclude future tax reform efforts.

In other states where the super-majority requirements have been implemented, they have brought tax hikes to a screeching halt. A study by the Cato Institute found that super-majority requirements and voter approval measures for tax hikes are effective in repelling tax increases. Amy Hagerstrom of Azure Strategies, who has been working on the measure, says "we got far more signatures than we needed to qualify for the ballot." The taxpayer groups gathered more than 600,000 signatures to qualify for the ballot.

The unions and other liberal groups are mounting a campaign against the measure. The Michigan League for Human Services complains that if the measure passes, "it would be much harder to fund our schools, our roads, our local police and fire and other important services here in the Mitten." The group also claims that "in other states with super-majority requirements, these revenue restrictions can lead to lower credit ratings and increased borrowing costs."

Actually, the Cato study found that these taxpayer-protection measures make states more fiscally healthy. Says Ms. Hagerstrom, "this is about enhancing Michigan's economic competitiveness." We will see soon enough if Michigan voters agree.