



For MAYOR *of* HENDERSONVILLE
November 3, 2009

Common Sense is defined as beliefs or propositions that most people would consider prudent and of sound judgement!

TIMM STRONGLY DISAGREES WITH STATE SALES TAX INCREASE WHICH WILL FURTHER BURDEN FAMILIES AND HURT SMALL BUSINESS!

Beverly Perdue and the State Legislature recently passed an increase that will bring the overall sales tax rate of NC residents to 8%, close to that of New York and other high tax states without many of the exemptions high tax states realize. Called a temporary solution to replenish treasury coffers short on revenues, this “movement” by the state will quickly become a huge burden to families who have no choice but to purchase needed items and small businesses who desperately need families to purchase them.

At first glance, an extra percent here and there seems rather unremarkable. But given the amount of taxes already levied to residents of the State of North Carolina, the tax burden could prove unbearable and do more harm than good. Locally, Henderson County has a per capita income of \$21,110 with a huge gap between female and male earnings: Nearly \$8,000 less for women who admit to doing 80% of the household shopping. Additionally, nearly 10% of the population is already beneath the poverty line, vastly disproportionate are those under 18 and over 65. And, currently, the state unemployment rate is 10.8%, nearly the highest in the states history.

An example of “**NO COMMON SENSE.**” In my opinion, if you lower taxes when people have less, they'll find a way to spend more. Additionally, when taxes are lowered, especially sales tax rates, residents of neighboring state's shop across borders diverting revenues to states with lower rates. Call it old fashioned competition! Tax burdens need to ease in times of economic slow down. If so, businesses might expand or increase inventory and families may risk opportunities to begin small businesses when otherwise they would not.

Our Governor seems to be taking a page from our local Epic movie theater. In the worst economic recession since the great depression, our local theater has raised ticket prices to \$9, charges \$4.50 for popcorn, \$4 for a drink, and \$3 for candy, then complains about attendance and people sneaking in an affordable candy bar and soft drink.

Cut taxes. Offer business incentives. **Be creative at overcoming shortfalls.** Don't pass a greater burden on to those most directly affected. It is worth noting that the highest revenues come in the form of property taxes, which saw no increase...