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**FOR IMMEDIATE RELEASE**

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**CAMPAIGN COMMITTEE VOWS REFERENDUM OF MASSIVE TAX LEGISLATION**

SACRAMENTO – “Stop Hidden Taxes” a campaign committee formed today announced that it will sponsor a referendum should SBX 1-23 (Steinberg) be passed by the Legislature and signed into law.

The proposed measure is strongly opposed by a statewide coalition of small businesses, taxpayer organizations and large employers because it threatens California’s economic well being and the stability and certainty of our investment climate. The committee has already retained a signature gathering firm, a campaign consulting team and a pollster.

“Someone has to stand up for jobs in our state,” said Allan Zaremberg, President and CEO of the California Chamber of Commerce and co-chair of Stop Hidden Taxes. “Allowing this bill to become law would undermine the state’s struggling economy, kill jobs and send exactly the wrong message about California’s business climate to prospective employers. We are confident voters will reject this measure at the ballot box,” said Zaremberg.

“SBX 1-23 would have major implications for the state’s long-term economic growth,” said Teresa Casazza, president of the California Taxpayers Association and also a co-chair of Stop Hidden Taxes. “This legislation would wreak havoc for taxpayers by creating a patchwork of new, higher taxes that would vary from one neighborhood to the next.”

(more)

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Paid for by Stop Hidden Taxes, a coalition of taxpayers and employers – No on SBX 1-23

SBX 1-23 (Steinberg) – formerly SB 653 -- would allow 58 counties, 58 county boards of education, 1,000 school districts and 72 community college districts to impose local personal income taxes, local car taxes, local sales taxes, local excise taxes on goods and services and many more.

According to news reports, SBX 1-23 is a punitive measure to spur the business community into endorsing a budget solution. However, it is well known the business community has been actively involved in seeking a comprehensive budget solution for months.

To qualify a referendum for the next statewide election, the committee must gather 504,760 valid signatures in approximately 90 days after the bill is signed into law. Once the measure qualifies, implementation of the bill would be suspended pending the vote.

Proponents of the referendum become the “no” side in the vote.

California law and court decisions have held that if the measure is defeated at the ballot box, the legislature is prohibited from enacting substantially similar language for several years. This means that if defeated, the Legislature could not pass measures to allow any of these local units of governments to pursue any of these types of taxes mentioned in the bill.

SBX 1-23 has been passed by the Senate.

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