



NEWS

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DESPITE VOTER REJECTION, NEW JOB-KILLING OIL TAX IS PROPOSED

SACRAMENTO – Despite the fact California voters have consistently rejected proposals for new and increased oil severance taxes, yet another such bill was set to be given its first hearing today in the Assembly Higher Education Committee.

Studies of similar proposals have shown the 12.5% tax on oil and natural gas extraction in AB 1326 would cost 10,000 Californians their jobs and undermine the state's struggling economy.

Californians Against Higher Taxes – a coalition of small businesses, taxpayer organizations and large employers – pointed out that voters have made their distaste for higher oil taxes very clear.

“A new oil severance tax proposed in Proposition 87 was soundly defeated despite a multimillion-dollar campaign on its behalf,” said Teresa Casazza, president of the California Taxpayers Association. “Just last month, ballot measures proposing new and higher oil and gas severance taxes were defeated in Los Angeles and Beverly Hills, two cities with overwhelming Democratic Party registration advantages.

“Voters understand that a new oil tax that puts thousands of Californians out of work and further depresses our economy won't solve the state's budget problems. It will make them worse.”

(more)

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Experts say that the tax in AB 1326 would suppress oil production in California by increasing its cost. That would require the import of more foreign oil, an expensive alternative that would make gasoline more expensive to produce.

More information is available at www.MoreJobsNotTaxes.com.

Californians Against Higher Taxes believes more jobs – not more taxes -- will provide the government revenue necessary to fund critical programs.

Members of the coalition include the California Chamber of Commerce, National Federation of Independent Business (NFIB)/California, California Taxpayers Association, Small Business Action Committee, California Farm Bureau Federation, California Restaurant Association, California Small Business Alliance, California Trucking Association, American Council of Engineering Companies-California and the Neighborhood Market Association.

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