



MASW
Since 1901

Missouri Association for Social Welfare

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**Citizen Advocacy Organization Announces
Opposition to One-Cent Sales & Use Tax for Highway Construction**

(JEFFERSON CITY, MO) The Missouri Association for Social Welfare (MASW), founded in 1901, has announced opposition to a one-percent sales and use tax that has been filed as a petition initiative with the office of the Secretary of State. If enough signatures are gathered from registered voters, the regressive tax measure could go to a vote of the people in 2014. If passed, it would last ten years and possibly longer.

“MASW and many other social justice organizations will vigorously oppose this petition initiative that would make Missouri’s already unfair tax system even worse,” said Jeanette Mott Oxford, executive director of MASW. “We will inform Missourians of the impact of the one-cent sales and use tax increase should supporters attempt to move forward with the signature-gathering process, and we will invite others to join us in mounting a ‘decline to sign’ campaign.”

MASW maintains that the seven billion dollar tax increase created by the ballot measure if passed, the largest in Missouri history, would fall disproportionately on Missourians least able to pay for it. Oxford said, “Two out of five Missouri households have less than \$31,000 in annual income. These families often have to choose between paying rent or paying utilities, purchasing food or medicine. Increased sales tax would add a new challenge to daily stability.”

The last motor fuel tax increase occurred in the late 1990’s, but the costs of construction supplies and labor have constantly risen over the past fifteen-plus years. Oxford said that MASW is cautious about calling for increased motor fuel taxes because of the damage this would do to the purchasing power of workers living in poverty. However, Oxford added, “A transportation funding source that is frozen on the income side while expenses increase annually is a fuel tax that is designed to fail.” MASW suggests that refundable earned income tax credits could reduce the regressive impact of a fuel tax adjusted for inflation.

“We agree that our highways, bridges, and ports need adequate funding. In addition, mass transit should also be funded at the state level, but a sales tax is not the most fair way to fund these measures,” according to Oxford. Better funding sources, cited by MASW, include:

- Elimination of the Missouri income tax deduction for federal taxes paid – Missouri is one of only six states with this tax feature, and 83% of its benefit goes to the wealthiest 40% of Missourians.
- An overhaul of Missouri’s inadequate, outdated, and unfair income tax system – the tax table was last updated in 1931 and the top tax bracket starts at only \$9,000 of taxable income.
- Closing of corporate tax loopholes.

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See also: <http://www.itep.org/bettergastax/>