



For Immediate Release

Media contact: Malika White, mwhite@gbpi.org, 404-420-1324 ext. 109

STATEMENT

01.07.10

Tax Reform Council Releases Results of Six-month Study

GBPI Executive Director Alan Essig released the following statement in response to the Tax Council's recommendations.

We applaud the Special Council on Tax Reform and Fairness for taking a thoughtful look at Georgia's outdated tax system. Their recommendations include some much needed changes that will help our tax system better reflect today's economy, such as the move to expand the sales tax to services. These types of modernizations could help the immediate budget crisis and also ensure our tax system better tracks the economy going forward.

Although there are some much needed changes recommended, the Georgia Budget and Policy Institute continues to be concerned about whether these changes taken as whole will shift taxes onto Georgians who are least able to afford it. We will be analyzing the Tax Council's recommendations to see whether the cost of state services is being shifted onto Georgians who are least able to afford it and what the fiscal impact is on the state budget now and in the future.

These recommendations are the first step in this process. We look forward to educating legislators on the impacts of these tax changes in the coming weeks and how a final tax reform package can bring the modernizations the Tax Council recommends while protecting vulnerable Georgians.

###

About the Georgia Budget and Policy Institute

GBPI is the state's leading independent, nonprofit, nonpartisan organization engaged in research and education about the fiscal and economic health of the state of Georgia. The Institute provides reliable and timely analysis of Georgia's budget and tax policies and promotes greater state government fiscal accountability, improved services, and an enhanced quality of life for all Georgians. Visit www.GBPI.org for more information.