

TAXPAYER ALERT: The NH Budget

The state budget is irresponsible

Over the past 4 years, Governor Lynch and the Democrats in control of the House and Senate have over-spent our State Budget to the point where it has become a serious crisis. The Democrats created this problem by irresponsibly expanding programs that have continued to grow and have led to today's "spending momentum." Now, taxpayers are being forced to pay for these mistakes. The current budget continues a pattern of irresponsibility, creating enormous fiscal challenges on both the spending side and the revenue side for future state budgets.

Spending increases under Gov. Lynch and Democrat legislature

In his budget, Governor Lynch claimed to have controlled spending in this budget cycle. In truth, the 2010-2011 budget contains a 6-10% INCREASE in addition to the 17.5% INCREASE in the last budget. This is compared to all other states in the U.S., which have averaged a 5% REDUCTION in proposed spending over their last two budgets.

REVENUE – 38 taxes and fees in addition to one-time money, including:

New Tax on Small Businesses ("LLC Tax")
Rooms & Meals Tax Increase – from 8% to 9%
Campsite Tax – 9% Rooms and Meals Tax
Business Profits Tax Expansion
Increased Tobacco Tax – As Much as 49%

New Tax On Gambling Winnings – 10%
Vehicle Registration Fee – Up 250%
Vehicle Registration Transfer Fee – Up 250%
Increased Boat Registration Fee - Doubled
Increased Fee For Condo and Land Sales

The Democrats are using one-time revenues like Federal bailout money to pay for state operating expenses. They are also trying to take \$110 million from the Joint Underwriters Association (JUA), a private malpractice fund owned by the doctors of the state and funded through premiums paid by them. Simply put, the Governor and Legislature are stealing private money from the doctors. The total budget deficit, not covered by real ongoing revenues, is approximately \$500 MILLION.

Up next – more taxes and fees

The Democrats proposed the following tax increases this year that were not included in the budget. They will probably be reintroduced during the next budget debate and include:

- New Tax on Mortgage Refinancing – 1.5%
- New Sales Tax on Entertainment
- New Income Tax on Capital Gains – 5%
- Increase to Gas Tax – 15 cents per gallon
- New Estate Tax – 8%
- Increase to Business Enterprise Tax (repeal of BET credit)

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