

Dear Editor:

Nevada has long been a bastion for low taxation, and there are few things that stir the fervor of voters more than efforts to change that landscape. The “Axe The Tax” referendum petition, which is undergoing the signature verification process and may qualify for the November ballot, plays on that public sentiment. It also sets a dangerous precedent and asks voters to make a decision based on incomplete facts and only a rudimentary understanding of the impact their vote could have on our state’s legislative process. The unintended consequences that would be caused by the passage of this referendum were surely lost on those who signed it. As two former Nevada governors who served during challenging economic times for our state, we are all too familiar with the challenges of making difficult budgetary and tax decisions. Our positions on the taxes passed by the 2003 Legislature play no role in our opposition to the “Axe The Tax” petition.

The Nevada Taxpayers Association has filed a motion to bar this petition from being placed on the November ballot. The organization’s position on the taxes themselves played no role in its opposition to the petition, much as our respective positions on taxes are irrelevant to our concerns. Regardless of party affiliation and opinions, we are united in our discomfort with a process we believe has been manipulated at the expense of Nevada voters.

Our gravest concern with the petition is that its language did not provide voters with sufficient explanation of what they were signing. Voters were asked if they wanted to repeal taxes passed by the Legislature and were shown a list of section numbers with no explanation of the content of these sections of the law.

The “Axe The Tax” referendum petition would repeal more than 200 sections of Senate Bill 8 (SB 8), the tax bill passed by the 2003 Legislature. It stands to reason that petition signers could have no knowledge either of the content of each of these sections or of the impact that the repeal of each would have on the state and its funding. In fact, the petition would repeal some sections of SB 8 that would actually result in approximately \$27 million dollars in *increased* spending.

Perhaps more alarming is the near certainty that the signers did not realize the constitutional impact the referendum petition could have. If voters defeat the referendum and elect to keep the taxes as passed, those taxes would be locked into law and could not be changed by anything other than a vote of the people. Legislators could not raise, change, or even *lower* or *eliminate* any of these taxes without voter approval.

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Should voters elect to repeal the taxes, the consequences could be equally devastating. The 2003 Legislature spent an entire legislative session and two special sessions attempting to reach an agreement on the dollar amount and type of taxation to pass to fund the state's budget. A repeal of these taxes would force legislators to start this arduous process all over again. It would also mean an immediate halt to the collection of these taxes. It is unclear what impact this loss of revenue would have on state programs, including education and social services. Any steps the legislature might take to recover this loss of revenue could also have a serious impact on small businesses and taxpayers. While the emotional appeal of eliminating taxes *seems* to fit the Nevada mindset, in reality the voters of this state are far more diligent.

Voters elect legislators who they feel can best represent their interests in Carson City. These 63 people, together with the Governor, have the benefit of being provided with vast amounts of information and background on matters important to the future of our state, and have the advantage of explanations from those well-versed and educated on complex issues. The legislature cannot function effectively if it is required to ask voters to weigh in on every decision through ballot questions.

The "Axe The Tax" petition is a prime example of good, common-sense Nevada political values carried to the extreme. If the 2003 tax package proves too burdensome or produces revenues in excess of the state's needs, the Legislature can and should adopt remedies or adjustments without the necessity of the time-consuming and expensive referendum process.

Robert List  
Governor of the State of Nevada  
1979-1983

Robert J. Miller  
Governor of the State of Nevada  
1989-1999