

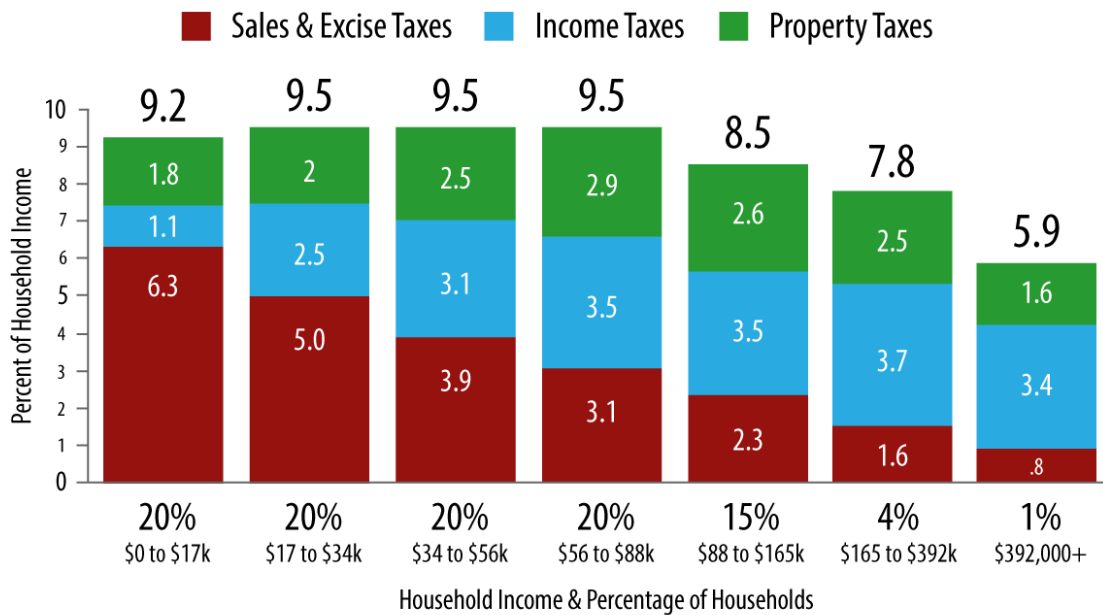
Hi Tom,

Thank you for your email. As you know, the income tax is one of many taxes that individuals in this state pay. We have property taxes, the sales tax, excise taxes like the fuel tax, sin taxes, and the income tax. When you add it all up, the bottom 80% of households, those making \$88,000 or less, contribute nearly twice as much of their income in state and local taxes as those in the top 1%.

Does the Mackinac Center support equal taxation? I haven't found a single person who believes this is a fair way to distribute our tax burden.

Michigan Under Current Law

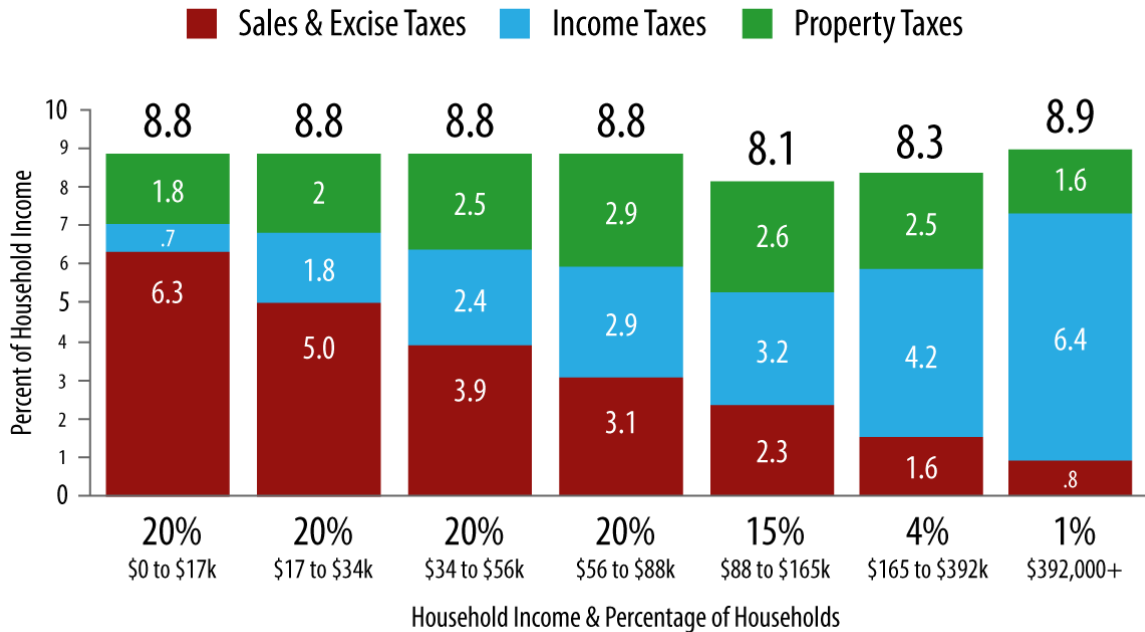
Percent of Household Income Contributed in State and Local Taxes



We can create equal taxation that asks everyone to contribute the same share of their income by establishing a graduated income tax that cuts taxes for 95% of Michiganders.

Michigan Under Tax Equality

Percent of Household Income Contributed in State and Local Taxes



This plan would make a real difference in the lives of Michigan families who have been getting hit from every angle – declining income, reduced benefits, rising costs and disproportionately higher taxes.

Under this plan, a family of four making less than \$176,000 in federal adjusted gross income would receive a tax cut that would reach as high as \$600 per year for middle-income families.

According to the Department of Treasury, over 4.4 million filers would receive a \$830 million tax cut to increase demand, stimulate economic growth and create jobs.

According to the Department of Treasury, 89 percent of small business owners would receive a tax cut. It's time to help hardworking small business owners who don't benefit from special-interest deals like the MEGA business tax credits.

Thirty-three other states and the federal government have a graduated income tax, including Minnesota, which raised its top income tax rate in 2013 and saw an increase of residents earning over \$1 million per year. Minnesota's unemployment rate is 3.6%, its median household earns over \$9,000 a year more than Michigan's, and [Minnesota was just named the top state for business](#). Everyone is doing well in Minnesota.

I hope the Mackinac Center will support my plan to create Tax Equality in Michigan.

Sincerely,

Jim Townsend
State Representative
26th District