

Common Ground for Michigan's Budget
Closing loopholes offers option to cutting state services

July 2009

State revenues continue to decline and devastating cuts to vital services have been made, but tax loopholes continue to eat away at the amount of available state funds. These tax loopholes--credits, expenditures, deductions and the like--have been passed by the Legislature over the years, with no regular review of their public benefit. Just as direct expenditures cost the state money, so do these tax loopholes, which reduce available state revenues every year.

With more difficult budget decisions ahead, it is time to look at closing some tax loopholes. Since 2005, members of the Legislature and the governor have offered tax loophole closures that would restore more than \$400 million to the state's revenues. Restoration of those revenues would help avert painful budget cuts.

The following organizations call on the Legislature to review existing tax expenditures and to begin closing tax loopholes, which are costing our state millions of dollars a year.

AARP

American Federation of Teachers-Michigan

Barbara Ann Karmanos Cancer Institute

Common Cause

Community Economic Development Association of Michigan

Center for Civil Justice

Comprehensive School Health Coordinators' Association

Ecology Center

Global Behavior: Education

Michigan AFSCME Council 25

Michigan Association of School Administrators

Michigan Association of School Boards

Michigan Campaign for Quality Care

Michigan Coalition of Children and Families

Michigan Council for Maternal and Child Health

Michigan County Social Services Association

Michigan Developmental Disabilities Council

Michigan Education Association

Michigan Environmental Council

Michigan League for Human Services

Michigan Long Term Care Ombudsman Program

Michigan Municipal League

Michigan Nonprofit Association

Michigan Nurses Association

Michigan Pharmacists Association

Michigan Primary Care Association

Michigan Protection & Advocacy Service, Inc.
Michigan State AFL-CIO
Michigan Unitarian Universalist Social Justice Network
Michigan's Children
Middle Cities Education Association
Mustard Seed Shelter
National Association of Social Workers – Michigan Chapter
PHI – Michigan
Planned Parenthood Advocates of Michigan
President's Council, State Universities of Michigan
Progress Michigan
SEIU Michigan State Council
The Center for Social Gerontology, Inc.
Tip of the Mitt Watershed Council, Petoskey
Tobacco-Free Michigan
UAW Michigan CAP