

September 28, 2007

Speaker Mike Huebsch
Room 211 West
State Capitol
P.O. Box 8952
Madison, WI 53708

Dear Speaker Huebsch:

I am writing to urge you to reconsider your offer to accept a budget with a \$1.25 per pack cigarette tax increase. It is in the best interest of Wisconsin taxpayers that all tax increases proposed by the Governor and Democrat leadership be taken off the table completely as discussions continue.

Increasing this tax is bad policy for Wisconsin. According to a 2003 Small Business Survival Committee study, New York City lost \$127 million in profits for small businesses and some 10,000 jobs when it raised the tobacco tax. Eighty-eight percent of small businesses reported that they were hurt by the tax increase. This unnecessary tax increase will only remove additional money from the hands of small business owners and families who contribute greatly to the overall economic success of the state.

Rather than the “quick fix” of a tobacco tax hike, I encourage you to reform using exclusively the revenue taxpayers have already overpaid into government coffers. **Even beyond the significant damage to small businesses and the overall state economy, funding children’s healthcare programs with a diminishing revenue source is an irresponsible move.**

As I mentioned previously, as the leader of the assembly majority, you have the opportunity to define your party in Wisconsin as the party opposed to tax-and-spend policies. Your party has long been branded as the party of low taxes, and by raising taxes the assembly majority would risk losing credibility with Wisconsinites.

As the budget discussions continue, all eyes are on you. Please stand on the side of taxpayers by taking the cigarette tax hike off the table.

Onward,



Grover Norquist

cc: Wisconsin State Legislature