

NO

ON PROPOSITION 4

It is anti-education, and it is unnecessary.

Proposition 4 will be on the Nov. 5 constitutional amendments ballot: “The constitutional amendment prohibiting the imposition of an individual income tax, including a tax on an individual’s share of partnership and unincorporated association income.”

Background:

Texas is one of only seven states that don’t have a state income tax. A provision in the Texas Constitution, known as the “Bullock Amendment,” prohibits the state from imposing a personal income tax without voter approval. If voters ever were to approve an income tax under the Bullock amendment, **at least two-thirds of net revenue collected from the tax would have to be dedicated to reducing school property tax rates and the remainder to education funding.**

What happens if voters approve Proposition 4?

It would replace the Bullock Amendment in the state constitution **and remove the requirement that income tax revenue be dedicated to education and school property tax relief.**

Any future attempt to create an income tax would require a new constitutional amendment that would first have to be approved by two-thirds of the Texas House and state Senate, and legislators could designate the revenue for any purpose.

Why Proposition 4 is bad for public education:

Sooner or later, Texas public schools will need more revenue, and Texas voters may decide they want an income tax in order to lower their school property taxes and raise money for education.

But if Proposition 4 passes, an income tax could not be put on the ballot without a two-thirds legislative vote, which means an ideological minority could deny Texans an opportunity to decide on a much-needed revenue source. And the Legislature could choose to dedicate income tax revenue to anything except education, including benefits for wealthy corporations.

Why Proposition 4 is unnecessary:

The state constitution already has a high bar for imposing an income tax that not only protects taxpayers but also offers a dedicated source of future education funding, should it become necessary.

Another problem:

Because Proposition 4 lacks a definition for the word “individual” and fails to specify that the income tax prohibition refers only to natural persons, the courts could declare that businesses are legally considered individuals and exempt from state taxation. Were this to happen, the effect on state revenue could be devastating.

