Vote NO on Amendment #3 to the Tennessee Constitution
A Ballot Measure on November 4, 2014

The League of Women Voters of Tennessee Believes:
Tennessee requires a balanced system of taxation which considers the ability of the taxpayer to pay and which supports reliable and adequate funding of government programs. Current reliance on consumer taxes such as sales tax means the tax burden falls disproportionately on low income households.

What Amendment 3 Says:
“Shall Article II, Section 28 of the Constitution of Tennessee be amended by adding the following sentence at the end of the final substantive paragraph within the section:

“Notwithstanding the authority to tax privileges or any other authority set forth in this Constitution, the Legislature shall not levy, authorize or otherwise permit any state or local tax upon payroll or earned personal income or any state or local tax measured by payroll or earned personal income; however, nothing contained herein shall be construed as prohibiting any tax in effect on January 1, 2011, or adjustment of the rate of such tax.”

Restatement of Amendment 3:
Amendment 3 stops the enactment of any payroll or income taxes. Amendment 3 does NOT allow cities or counties to have payroll or personal income tax. Amendment 3 allows the rates for sales taxes, wheel taxes, property taxes, business taxes, and other current taxes and fees to change in the future.

If You Vote No:
- Defeat of Amendment 3 retains options for state and local governments to raise revenue in a variety of ways.
- Defeat of Amendment 3 allows ongoing timely response to public needs, whether due to emergency or normal causes.
- Defeat of Amendment 3 keeps the option of greater economic growth by reducing consumer and business taxes.
- Defeat of Amendment 3 protects Tennessee by minimizing loss of sales tax revenue to neighboring states which have lower sales tax rates.
- Defeat of Amendment 3 preserves continuing public input about fiscal policy.

If You Vote Yes:
- Passage of Amendment 3 provides for no new state or local income or payroll taxes to be enacted.
- Passage of Amendment 3 reduces the size of government by reducing revenue.
- Passage of Amendment 3 allows local and state increases in consumer (sales) taxes, property taxes, business taxes, and fees.
- Passage of Amendment 3 guarantees the likelihood of annual budget shortfalls.
- Passage of Amendment 3 increases chances of cuts to public safety, transportation, health, education, road and bridge work, and faster growth in tuition hikes.