





















January 17, 2022 Electronic Delivery

The Honorable Tate Reeves, Governor of the State of Mississippi The Honorable Delbert Hosemann, Lieutenant Governor of the State of Mississippi The Honorable Philip Gunn, Speaker of the Mississippi House of Representatives Honorable Members of the Mississippi House and Senate

Re: A Path Forward for Income Tax Elimination

Governor Reeves, Lt. Governor Hosemann, Speaker Gunn and Honorable Members of the Mississippi Legislature:

Mississippi stands at a crossroads. With unprecedented revenue surplus and considerable federal dollars at its disposal, policymakers have a unique opportunity to prove that conservative state-based tax and spending reform can work to improve the lives of its citizens.

The Magnolia State can lead boldly in the elimination of the income tax, creating a more competitive environment that attracts new people and capital, increases productivity and grows the economy, and yields better, higher paying jobs.

It need not do so at the expense of good fiscal policy. With well-designed policy it can ensure that core functions of government will continue to be well-funded, with a reasonable rate of growth in spending.

Certainly, the nine states that operate without an income tax have categorically proven that a state cannot only survive without an income tax, but thrive. On balance, these "no income tax" states have dramatically outpaced national averages when it comes to both economic and population growth, while simultaneously experiencing state revenue growth that far eclipses Mississippi's under the current tax structure.

Each of us recognizes that work remains to be done to become the tenth state without an income tax. That should not discount the tremendous progress has been made over the last year toward a sustainable policy solution. The most recent proposals reflect an increased desire for simple policy that citizens can grasp, speed in enactment that will allow Mississippi to realize more of the benefits of eliminating the income tax, and a focus on responsibly maximizing the net tax cut for all Mississippi citizens.

All of this is positive. The progress made would not be possible without the strong influence of leaders like Governor Reeves and Speaker Gunn, who have expressed commitment to eliminating the income tax, as well as Lt. Governor Hosemann, who has expressed interest in meaningful tax reform. Now is the time to punch the ball across the goal line. It will take even more stakeholders coming on board.

Working together, the Magnolia State can position itself to be competitive for the long haul. The undersigned groups have decades of experience researching and offering guidance on tax and spending reforms focused on allowing citizens to keep and spend more of their earnings on their families, on their businesses and in their communities. We believe that if executed correctly, Mississippi can take a transformative leap forward, and to that end, stand ready, willing and able to share expertise and lend support to a unified effort.

Respectfully,

Grover Norquist

President, Americans for Tax Reform

Daniel Schneider

2 C Schnill

Executive Director, The American Conservative Union

loseph Bishop Henchman

Vice President of Policy & Litigation,

National Taxpayers Union

David Williams

President, Taxpayers Protection Alliance

J. Kelley Williams

Douglas Carswell

Chairman, Bigger Pie Forum

Suss Xatino

President, Empower Mississippi

State Director, Americans for

President & CEO of Mississippi Center for Public

Prosperity

Russ Latino

Forest Thigpen

Mississippi

Policy

Dawn McVea

State Director, National Federation of Independent Business