

## Massachusetts Proposal Would Repeal Income Tax

By PAM BELLUCK  
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GRAFTON, Mass. — Given the opportunity to get out of paying state income tax, who wouldn't jump at the chance?

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CJ Gunther for The New York Times  
Ruth Gregoire, 71, who is retired, said the ballot proposal to repeal the state income tax in Massachusetts was "very nice."

Certainly Ruth Gregoire would. Ms. Gregoire, 71, a retired employee of a fire sprinkler company, dipped into chocolate ice cream at Swirls and Scoops and pronounced the no-tax idea "very nice."

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CJ Gunther for The New York Times  
Lakis Theoharis, 56, who owns a pizza shop in Grafton, said, "To me, the smaller the government, the better for the citizens."

Lakis Theoharis, 56, the owner of the nearby Pepperoni Express, said: "I'm for the repeal of the tax. To me, the smaller the government, the better for the citizens."

And Rich Masterson, 39, a trucking company supervisor, said, "I would love to see that!"

That view is exactly what most state and local officials in [Massachusetts](#) are afraid of. Amid the whirlwind presidential election, Massachusetts has a ballot contest of its own this November that could drastically alter — some would say cripple — state government.

At issue is Question 1, which would eliminate the state income tax. It would save the average taxpayer about \$3,600 a year. Annual revenue from the tax is about

\$12.5 billion, roughly 45 percent of the state's budget of about \$28 billion.

"These are tough times for everyone as it is, and if Question 1 passes, things will become exponentially more difficult," said Leslie A. Kirwan, the Massachusetts secretary of administration and finance.

Ms. Kirwan added that because some state programs cannot legally be cut, others would face cuts of 60 percent or more. The loss of billions of dollars from Question 1, she said, would devastate state services.

Gov. [Deval Patrick](#), a Democrat, has called the ballot measure "just a dumb idea."

And elected leaders across the state are worried.

"The knee-jerk reaction would be, 'That's a great idea because it means more money for me,'" said Brook Padgett, chairman of the Board of Selectmen in Grafton, a town of about 17,000 near Worcester, which he said would lose 25 percent of its budget because of state cuts. "It would affect everybody — schools, police, municipal services, snow plowing. I couldn't begin to tell you what we would do."


Although Massachusetts is still often tagged with its "Taxachusetts" reputation, its recent history is more nuanced.

In 2000, voters approved a phased rollback of the income tax rate from 5.75 percent to 5 percent. The Legislature froze the rate at 5.3 percent in 2002, permitting further reductions only if economic conditions allowed.

In 2002, a ballot measure to scrap the income tax received hardly any public attention. But to the shock of elected officials, it netted 45 percent of the vote statewide and a

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Now, with the wining economy, opponents fear that Question 1 will have even more traction.

Health care workers, small-business owners and unions are especially concerned about that prospect. A new group, the Coalition for Our Communities, has raised \$1.3 million, about \$1 million of that from national teachers' unions, and plans television advertisements and direct mail campaigns against the repeal.

Karen White, director of campaigns and elections for the [National Education Association](#), which has given \$750,000, said the "reckless proposal" would have "dire consequences that will put education at risk, health care at risk, public safety at risk."

She added: "We're prepared to commit more money if we need to. We're going to do what we need to do to make sure that we win this one."

The pro-repeal effort, which gathered 11,000 signatures to put the measure on the ballot, has much less money — about \$25,000 left to spend, disclosure reports show.

"Politicians at the state and local level are overwhelmingly against us," said Carla Howell, chairwoman of the Committee for Small Government, who ran for governor in 2002. "Everyday voters are much more inclined to end the income tax."

Question 1 would cut the tax by half the first year and eliminate it the next year, and Ms. Howell said the state could compensate by cutting lucrative employee pensions, paring bureaucracies and spending wisely.

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