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House Overwhelmingly Rejects Kaine Tax Increase

- Democrats Join Republicans in Defeating Proposed 17% State Income Tax Hike by Vote of 97 to 0 -
- Unapproved Tax Increase was Linchpin of Outgoing Governor's Unbalanced Budget Proposal -
- Fundamental Issue Decided, House Joins McDonnell in Commitment to Balance Budget without Tax Hike -

RICHMOND, VA – By an overwhelming bipartisan 97 to 0 vote the Virginia House of Delegates today soundly rejected an increase in the state income tax. Had it been approved, [House Bill 1155](#) would have resulted in a 17% increase in Virginia's statewide individual income tax when Virginians already are struggling with the worst economy in generations.

The income tax hike was promoted by former Governor and now full-time Democratic National Committee Chairman Timothy M. Kaine, who included revenues from the unapproved tax increase (from 5.75 to 6.75%) in the 2010-2012 Biennial Budget he submitted to the Virginia General Assembly before leaving office. Republican legislators have decried the outgoing Governor's inclusion of unapproved tax increases in his budget proposal, declaring that Kaine had shirked his constitutional responsibility by introducing a two-year spending plan that was effectively unbalanced.

"Today, the House of Delegates took an essential and important step toward fulfilling its duties by rejecting the ill-advised, economically counterproductive Kaine tax increase," declared Speaker Howell. "By taking this key vote, delegates have made clear their commitment to approving a state budget that will hasten economic recovery without exacerbating the burden on Virginia's taxpayers, working families and job-producing small businesses.

"I am especially encouraged that the House's action on this measure was so bipartisan, with the rejection of higher taxes securing strong support from both sides of the aisle. This vote indicates that the House will stand with Virginia's taxpayers, adhering to the commitment made by our new Governor Bob McDonnell in his first address to the Joint Session of the House and Senate on Monday that a new state budget must be crafted without increasing taxes.

"By adopting a fiscally responsible, common-sense approach to addressing the current state revenue shortfall, we better equip our Commonwealth for a faster return to economic growth and more jobs, opportunities and prosperity. Today's vote means that state government will not impede the creation of private-sector jobs by enacting higher taxes.

"Because of this vote, delegates serving on the House Appropriations Committee now know that they have the confidence and support of their colleagues. Appropriations members have received the clear and unmistakable guidance they needed to fulfill their budget-writing duties effectively and on time. Now, the hard work of producing a structurally balanced state budget continues over the coming weeks, as delegates on Appropriations make the difficult but necessary choices in setting Virginia's spending priorities for the next two years. I have every confidence that they will complete their charge in the long-term best interests of taxpayers, families, businesses and all Virginians."

The deadline for the House Appropriations Committee to approve its amendments to the current and new state budgets is Sunday, February 21, with debate and passage by the full House scheduled for February 25, 2010.

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