

Job-killing tax increases are not the answer to the state budget deficit.

Raising the Sales tax or Business & Occupation tax by \$1 billion would cost nearly **15,000 Washingtonians their jobs.**

Raising either of these taxes by \$2.6 billion would cost more than **38,000 Washingtonians their jobs.**

Last year, state lawmakers listened when 32 economists warned raising taxes would hurt the economy.

This year, they should listen again.

Economists warn raising taxes will hurt the economy.

Despite some news reports, not all economists believe increasing taxes is the best way to overcome Washington state's budget deficit.

In fact, we believe that raising taxes during a recessionary period is contrary to responsible economic policy and instead will thwart the state's economic recovery. Leaving earnings in the hands of individuals and businesses is the best way to help grow the private sector, create jobs and lead to higher levels of consumption.

Increasing taxes at this time will shift necessary capital from the private sector to the public sector, thereby depriving private enterprise of the source of true economic growth and making Washington state even less competitive for new businesses and jobs.

Higher taxes will depress the short-term economic growth needed to bring Washington out of the recession and will reduce prosperity in the medium and long-term.

Signed by the following state and national economists:

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