

# HENRY *for* MAYOR

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## **HENRY ISSUES CALL TO ACTION ON PROPERTY TAXES**

### ***Relief, Restructuring, Responsibility: Mayoral Candidate Spells Out 3-Pronged Approach***

*Fort Wayne, Indiana* – Mayoral candidate Tom Henry today challenged state elected officials to begin work immediately on a long-term solution to the property tax situation and to give emergency relief to those in need. He also pledged that when elected Mayor he will do everything possible to deliver cost-effective, high-quality services and get the most out of every tax dollar.

“Fort Wayne property taxpayers tell me they are angry and frightened. They want action now,” stated Henry. “They want a state government courageous enough to deal with comprehensive tax restructuring and willing to provide them with immediate relief. They also want local elected leaders who are committed to being fiscally disciplined and accountable. As Mayor, I promise to use every tax dollar wisely and be the city’s most vocal advocate. Now it’s time for the state to do its job. It’s time for relief, restructuring and responsibility.”

Henry’s three-pronged “Relief, Restructuring & Responsibility” approach calls for the following components:

- A special session of the Indiana General Assembly requested by the governor to address the property tax issue without delay.
- A \$288 million allocation from the budget surplus enacted by the General Assembly and applied to one year of residential property tax relief. That one year would give local units of government enough time to restructure their revenue streams to match their needs and circumstances. In 2005, state government diverted the Property Tax Replacement fund, the \$288 million, from local government use to create a budget surplus. This was the first time in 20 years that this tactic has been used. The credit is a subsidy state government pays to localities to keep tax bills down.
- Reconsideration of the Hometown Matters legislation by the General Assembly. Without other items complicating the discussion, the General Assembly could focus solely on this crucial topic. The legislation was devised by the state’s municipal officials and was introduced during the last session.

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Some of the key provisions of the Hometown Matters legislation are:

- Giving local governments the option to reduce property taxes through any combination of local sales tax, supplemental income tax, local innkeeper's tax and local food and beverage tax.
- Allowing counties the ability to act first and make changes on a countywide basis. If the county did not act within a specified period of time, then the other local units would be able to restructure for themselves.
- A commitment by Henry when Mayor to: 1) Cut costs, improve city services and make government more effective; 2) work collaboratively with other governmental entities to better achieve these goals; and 3) advocate aggressively on behalf of the city and all its citizens wherever decisions are made for the fair and equitable treatment of municipalities.
- Support for the bipartisan commission formed by the governor to examine and make recommendations on reforming and restructuring local government as a method to investigate the root causes of the state's continuing property tax problems.

"On front porches and in coffee shops, I hear the real misery our property tax mess is causing homeowners," noted Henry. "It's not just raining; people are drowning. Residential property taxpayers can't wait for the results of a commission. It is time to tap those state budget reserves and then get to work on a permanent solution. Those actions must be matched by commonsense leadership here at home."

Henry will benchmark his goals as Mayor against the successes of the current administration that has held the line on taxes yielding the lowest property tax rate since the 1960s, saved \$10 million through cost-saving initiatives and reduced the number of non-public safety personnel even as the city's population has increased by 20 percent.

"With an M.B.A., I know Fort Wayne's financial health depends upon sound management, careful decision making and increases in our tax base," added Henry. "I intend to do all three. The only way to ensure fairness and ease the tax burden is to foster good growth. By creating a climate in which businesses and jobs can thrive, by building the kind of community that nurtures the talent we need to keep it moving forward, we all grow stronger. A more vibrant, competitive city is essential to keeping taxes low."

Tom Henry has a history of working with governmental partners to secure local property tax relief. When income taxes were implemented in Allen County, as a member of the Fort Wayne City Council, Henry was part of the bipartisan effort that dedicated a portion of that income tax to property tax relief.

*Tom Henry is the Democratic candidate for Mayor of Fort Wayne. He is a successful business owner, a five-term Fort Wayne City Councilman and a nonprofit leader with deep roots in the community.*

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Paid for by the Henry for Mayor Committee