Sept. 11, 2017

Dear Honorable Members of the Pennsylvania House of Representatives:

As you reconvene to resolve the state's 2017-18 fiscal year budget, our diverse coalition of the state's leading business and trade organizations again urges that any final revenue package not include higher taxes on energy producers, consumers and utility ratepayers. We understand the difficult financial position the state is in due to less-than-expected revenue collections; however, we must be clear-eyed about the reason revenue collections have been dampened. In great part due to its burdensome regulatory, tax and legal climate, the state's economic growth has been poor in recent years, and the unemployment rate is among the worst in the country. Higher taxes – whether they are assessed on energy producers, telecommunications customers or gas and electric ratepayers – will only exacerbate this trend. We cannot raise taxes and expect economic growth.

Our state's ability to compete is informed by its tax structure and business climate. It is clear, by any honest assessment, that much more progress can be made with respect to improving the state's tax code and its attractiveness to new investment in an increasingly competitive global marketplace. Instead of focusing on higher energy and utility taxes, we urge the House to take leadership on supporting pro-growth policies. When the state's economy grows, its broad-based tax collections – sales and use, corporate net income, and personal income taxes – will rise as well. Thank you for considering our coalition's position, and we ask for your continued support as you work towards finalizing a revenue package continues.

Sincerely,

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