


NORTH CAROLINA COALITION ON AGING
A Statewide Coalition of 38 Organizations Addressing the Needs of Older Adults
PO Box 127 * Weldon, NC 27890 * (252) 536-2070

Jean Reaves
President

June 26, 2002

Dear Member Delegates 


Those of you who attended the June 21, 2002 meeting voted that the enclosed letter should be sent to every member of the North Carolina House. Further we discussed the necessity of each of our member organizations independently contacting their individual representatives to further reinforce our message. Please, now is the time to be pro-active. Please use this letter as a model and contact members of the House as well as the Senate Leadership and the Senate Appropriations/Base Budget Committee.

You can find addresses, e-mail, identify your local representatives all via the web at:
www.ncga.state.nc.us

If you have any further questions please feel free to contact me. Thank you for making this a priority within your already busy and over-extended schedules.

Sincerely,

Jean Reaves, President
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 Received by: A. Helen Martikainen
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Dear Members of the North Carolina House:

The North Carolina Coalition on Aging is very concerned about the budget that was passed by the North Carolina Senate this past week. We are very much aware of the seriousness of our state's financial situation and realize there are no quick or easy solutions. Our overall concern however stems from the fact that the Senate Budget does not appear to address solutions that are attached to increasing our state's revenues. Our membership is mindful of the need to look at all possible and responsible solutions that will tighten administrative waste, etc. But the truth is that North Carolina already has limited services available to its citizens and there is very little trimming and tighten that can be done. We must look at new revenue sources that will have immediate as well as long-term effects toward positive and productive revenue streams.

The North Carolina Coalition on Aging is made up of 38 member organizations and represents millions of North Carolinians. We would like to strongly suggest the following possibilities be considered as responsible potential revenues:

- raise the cigarette tax at least to the national median: this could generate an additional \$210 million
- close bank tax loopholes: this alone could generate \$100 million dollars.
- reinstate the corporate tax rate back to the mid-'90's: this would generate about \$55 million.
- tax services like goods: NC has changed in recent years; our tax base needs to also change. Taxing services such as legal, accounting, engineering, advertising, computer and consulting could generate approximately \$350 million.
- increase the state income tax 1% on higher income taxpayers (i.e. taxpayers with income over \$75,000): this would generate at least an additional \$1 billion.

We don't need to tell you that these are tough options. We do realize that these options will take strength and conviction. We also realize that we must keep North Carolina from turning the clock back decades. North Carolina's economy is at a critical turning point. If the state fails to maintain its infrastructure now, North Carolina could regress to the status of some of the poorest southern states.

We strongly urge you to consider these and other REVENUE sources as you look at the monstrous task of responsibly repairing our budget dilemma.

Respectfully,

Jean Reaves, President
North Carolina Coalition on Aging