

M A S S A C H U S E T T S
HIGHTECHNOLOGYCOUNCIL

Dedicated to Growth... Committed to Action

FOR IMMEDIATE RELEASE
Jan. 18, 2019

Contact:
Mark Gallagher
mark@mhtc.org
(m.) 617.347.1917

MASS HIGH TECH COUNCIL RESPONDS TO “MILLIONAIRE’S TAX” FILING

A newly-filed tax increase amendment to the Massachusetts Constitution raises serious questions about the Commonwealth’s long-term fiscal instability at a time when many economists are predicting a coming national recession. Whether or not this latest attempt to amend the Constitution is permissible, it’s bad public policy. The Mass. High Tech Council will review the proposal.

Over the past 20 years, Massachusetts has taken positive steps to shed much of its “Taxachusetts” moniker and high-tax brand, resulting in a strong private-sector economy. Today, Massachusetts’ economy is thriving with rapidly expanding employment, investment and opportunity and state tax revenue collections are at an all-time high.

Yet, the data show Massachusetts has significantly higher debt service costs, unfunded pension liability obligations, and Medicaid spending (that has grown to 40 percent of the state budget), than many of our peer states. Our private sector economy is protecting us from problems plaguing Connecticut, New Jersey, and Illinois.

Any shift in state policy that weakens the private sector performance, or any weakness in the economy in general as a result of a national recession, will create significant state budget challenges in Massachusetts.

We are in an enviable position today to consider both how we should proactively prepare for an inevitable recession, while collaborating to establish bold policy goals to “move the needle” in key areas that support investment, job growth, our quality of life, and strong private sector performance.

About the Massachusetts High Technology Council – www.mhtc.org

MHTC is an organization of CEOs and senior executives representing technology companies, professional services firms, and academic and research institutions dedicated to creating and sustaining conditions that support investment and job growth in Massachusetts. Our members are growth-oriented, knowledge-intensive employers and institutions that develop, deliver and depend on technology products, services and innovations to advance their organizational objectives.

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