

June 8, 2021

The Honorable Representative Matt Hall, Chair and Members of the House Tax Policy Committee PO Box 30014 Lansing, MI 48909-7514

Dear Chairman Hall,

We are responding to House Bill 4513 which will eliminate the authority to levy income taxes on non-residents. The elimination of the income tax for non-residents will have a devastating impact on all Cities currently levying the local income tax of which many have been levying the tax for over 50 years. In the case of the City of East Lansing, this approximates 50% of the income tax revenue. For some cities, the percentage may be even higher.

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(517) 337-1731 Fax (517) 337-1559 www.cityofeastlansing.com The loss of this revenue will have a catastrophic effect on the services provided by the impacted Cities since the income tax is one of the largest revenue sources for the General Fund. These services include police and fire operations along with many other essential services.

We strongly oppose this bill and encourage you to vote against its approval.

Thank you for your consideration and action in this matter.

Aaron Stephens, Mayor

City of East Lansing

Cc: The Honorable Members of the House Tax Policy Committee
The Honorable Representative Pamela Hornberger
The Honorable Representative Julie Brixie