

TEXAS PUBLIC POLICY FOUNDATION

2019-20  
**LEGISLATOR'S  
GUIDE**  
to the issues



**TEXAS PUBLIC POLICY**  
FOUNDATION

Copyright ©2018 by the Texas Public Policy Foundation

Permission to reprint in whole or in part is hereby granted, provided the Texas Public Policy Foundation and the author are properly cited.

The Texas Public Policy Foundation is a 501(c)3 non-profit, non-partisan research institute.

The Foundation's mission is to promote and defend liberty, personal responsibility, and free enterprise in Texas and the nation by educating and affecting policymakers and the Texas public policy debate with academically sound research and outreach.

Funded by thousands of individuals, foundations, and corporations, the Foundation does not accept government funds or contributions to influence the outcomes of its research.

The public is demanding a different direction for their government, and the Texas Public Policy Foundation is providing the ideas that enable policymakers to chart that new course.

TEXAS PUBLIC POLICY FOUNDATION  
901 Congress Ave., Austin, TX 78701  
(512) 472-2700 Phone (512) 472-2728 Fax  
[www.TexasPolicy.com](http://www.TexasPolicy.com)

# Supermajority Requirement to Raise Taxes

## The Issue

**B**ecause taxes burden Texans, legislators should not raise taxes unless there is a broad consensus. The challenge for conservatives is to develop a tax system that collects sufficient revenue to pay for the preservation of liberty while doing the least economic harm to Texans.

The state's current tax system is projected to collect [\\$107.1 billion](#) in 2018-19, 97% more than the [\\$57.8 billion](#) it collected in 2004-05. By comparison, the compounded growth rate of population and inflation over this period is expected to be only 63%. This suggests that the tax system collects more tax revenue than taxpayers should afford, reducing economic growth and job creation.

The state tax that generates the most revenue is the sales tax; it is expected to account for 58% of total tax collections in 2018-19. Compared with other major taxes, research finds the sales tax is the least intrusive, allows more choices, and is simple to understand and administer. Hence, a sales tax is the most efficient while causing the least economic harm.

Fortunately, Texas does not have a personal income tax. [Research](#) shows that the past 10-year economic performance of the nine states without an income tax surpasses that of the nine states with the highest personal income tax rates and the 50-state average.

To limit rising tax burdens on Texans, lawmakers should pass legislation requiring a two-thirds supermajority of the Legislature to raise taxes instead of the current simple majority threshold. Texas lags behind 14 states on a voting threshold for raising taxes, according to the [National Conference of State Legislatures](#).

For multiple sessions, [Senate Joint Resolution 27](#) was filed but never passed. It would have achieved the goal of requiring a supermajority vote “for passage of a bill that imposes a new state tax or increases the rate of an existing state tax above the rate in effect on the date the bill was filed.”

Considering taxes affect taxpayers and with so much at stake—jobs, the economy, and Texans' financial well-being—legislators should enact a higher threshold to raise taxes or pass a new tax.

## The Facts

- A sales tax is preferable because it is simple, transparent, and levied only on the end-user.
- The 10-year economic performance of the nine states without a personal income tax surpasses the economic performance of the nine states with the highest personal income tax rates.
- Because taxes burden Texans, they should be raised with only a broad consensus.

### Recommendations

- State and local governments should rely on the sales tax as their main source of revenue.
  - Pass legislation requiring a supermajority (two-thirds) vote in each chamber to raise taxes or create a new tax.
- 

### Resources

[\*The Freedom to Own Property: Reforming Texas' Local Property Tax\*](#) by Kathleen Hunker, James Quintero, and Vance Ginn, Texas Public Policy Foundation (Oct. 2015).

[\*How Big Government Hurts the Economy\*](#) by Chuck DeVore, Nicholas C. Drinkwater, Arthur B. Laffer, and Stephen Moore, Texas Public Policy Foundation (Nov. 2013).

[\*Testimony Regarding Senate Joint Resolution 27\*](#) by Talmadge Heflin, Texas Public Policy Foundation (April 22, 2013).



## Experts

**Kara Belew**, *Senior Education Policy Advisor, Center for Innovation in Education*  
kbelew@texaspolicy.com AREAS OF EXPERTISE: State Budget, Taxes, Public Education Finance and Policy, Public Education Accountability

**Derek Cohen, Ph.D.**, *Director, Center for Effective Justice and Right on Crime*  
dcohen@texaspolicy.com AREAS OF EXPERTISE: Juvenile Justice Reform, Victims' Rights, Overcriminalization, Constitutional Limitations on Corrections

**The Hon. Chuck DeVore**, *VP of National Initiatives; Senior Fellow for Fiscal Policy*  
cdevore@texaspolicy.com AREAS OF EXPERTISE: Tax and Fiscal Policy, Elections, Foreign Affairs, Military Affairs, Energy and Environmental Policy

**Vance Ginn, Ph.D.**, *Director, Center for Economic Prosperity; Senior Economist*  
vginn@texaspolicy.com AREAS OF EXPERTISE: State Budget and Tax Reform, National and State Labor Market Trends, Tax and Expenditure Limits, Energy Markets and Policy

**Michael Haugen**, *Policy Analyst, Center for Effective Justice and Right on Crime*  
mhaugen@texaspolicy.com AREAS OF EXPERTISE: Civil Forfeiture, Overcriminalization, Substance Abuse Policy

**The Hon. Talmadge Heflin**, *Director, Center for Fiscal Policy*  
theflin@texaspolicy.com AREAS OF EXPERTISE: State Budget and Taxation, Economic Stabilization Fund, Local Government Spending, Pension Reform, Federal Funds

**Haley Holik**, *Attorney, Center for Effective Justice and Right on Crime*  
hholik@texaspolicy.com AREAS OF EXPERTISE: Juvenile Justice, Grand Jury Reform, Constitutional Limitations on Search and Seizure, Overcriminalization

**Marc Levin, Esq.**, *VP of Criminal Justice and Right on Crime*  
mlevin@texaspolicy.com AREAS OF EXPERTISE: Adult Corrections, Juvenile Justice, Overcriminalization, Victim Empowerment and Restitution, Law Enforcement, School Discipline

**Thomas Lindsay, Ph.D.**, *Director, Center for Innovation in Education*  
tlindsay@texaspolicy.com AREAS OF EXPERTISE: Higher Education, Culture Wars (Political correctness, cultural decline, etc.), America's Founding Principles, Online Learning, Federalism, Tenth Amendment, Interstate Compacts

**Brandon J. Logan, Ph. D.**, *Director, Center for Families & Children*  
blogan@texaspolicy.com AREAS OF EXPERTISE: Child Welfare Policy, Foster Care, Adoption, Family Law, Parental Rights

**Bryan Mathew**, *Policy Analyst, Center for Local Governance*  
bmathew@texaspolicy.com AREAS OF EXPERTISE: Local Economic Regulation, Local Economic Development, Municipal Annexation, Housing Affordability, Property Rights, Special Districts

**Stephanie Matthews**, *VP of Public Affairs*

smatthews@texaspolicy.com AREAS OF EXPERTISE: Workforce Development, Charter Schools, School Choice, Virtual Learning

**Jennifer Minjarez**, *Policy Analyst, Center for Health Care Policy*

jminjarez@texaspolicy.com AREAS OF EXPERTISE: Medicaid Reform, Mid-Level Providers, Medical and Dental Licensure Reform

**Bill Peacock**, *VP of Research*

bpeacock@texaspolicy.com AREAS OF EXPERTISE: Electricity Markets and Renewable Energy, Insurance, Technology and Telecommunications, Tort Reform, Property Rights, Economic Development, Consumer Issues

**Randy Petersen**, *Senior Researcher, Center for Effective Justice and Right on Crime*

rpetersen@texaspolicy.com AREAS OF EXPERTISE: Policing Policy, Diversion Programs, Civil Asset Forfeiture

**James Quintero**, *Director, Center for Local Governance*

jquintero@texaspolicy.com AREAS OF EXPERTISE: Budgets, State and Local Spending, Debt, Taxes, Transparency, Pensions

**Kevin D. Roberts, Ph.D.**, *Executive Director*

kroberts@texaspolicy.com AREAS OF EXPERTISE: K-12 Education Growth, Increasing Public School Efficiency, Education Choice, Higher Education, Tenth Amendment

**Emily Sass**, *Policy Analyst, Center for Innovation in Education*

esass@texaspolicy.com AREAS OF EXPERTISE: K-12 Education, Education Choice, School Finance, Civic Education, Charter Schools

**Deane Waldman, Ph.D.**, *Director, Center for Health Care Policy*

dwaldman@texaspolicy.com AREAS OF EXPERTISE: Health Care, Medicaid, Telemedicine, Scope of Practice, Regulatory Issues

**The Hon. Kathleen Hartnett White**, *Distinguished Senior Fellow-in-Residence; Director, Center for Energy & the Environment*

khwhite@texaspolicy.com AREAS OF EXPERTISE: EPA Regulation, Energy and Environmental Policy, Free Market Environmental Policies, Endangered Species Act, Water Rights

The Texas Public Policy Foundation is a 501(c)3 non-profit,  
non-partisan research institute.

The Foundation's mission is to promote and defend liberty,  
personal responsibility, and free enterprise in Texas and  
the nation by educating and affecting policymakers and  
the Texas public policy debate with academically  
sound research and outreach.

Funded by thousands of individuals, foundations, and  
corporations, the Foundation does not accept government  
funds or contributions to influence the  
outcomes of its research.

The public is demanding a different direction for their  
government, and the Texas Public Policy Foundation is  
providing the ideas that enable policymakers  
to chart that new course.



901 Congress Ave., Austin, Texas 78701 | 512.472.2700 phone 512.472.2728 fax  
[www.TexasPolicy.com](http://www.TexasPolicy.com)