August 28, 2023

Members of the North Carolina General Assembly
North Carolina Legislative Building
16 W Jones St,
Raleigh, NC 27601

Dear Members:

We at the Conservative Political Action Coalition (CPAC) want to thank you for recently overriding Governor Roy Cooper's vetoes of pro-family legislation. Those policies will ensure parental rights are respected and will help to protect children from the Left's radical gender ideology.

We also would like to thank you for upholding your principles during the ongoing budget negotiations and demanding transparency. CPAC, and our activists in North Carolina, remain committed to fighting for a clean tax cut package, without special interest legislation, like video lottery terminals, masquerading as a revenue driver.

As you return to Raleigh to continue the budget debate, please consider the following articles:

Townhall: Is the GOP Losing Faith in Tax Cuts?

"Several red states are struggling to remember that tax cuts are usually net revenue generators.

For example, lawmakers in North Carolina are considering "offsetting" proposed cuts to the state income tax by legalizing commercial gaming. Likewise, Texas – No. 8 on that list of top state economies – wants to increase sales tax to offset a property tax cut. Georgia wants to cut income tax, but offset by taxes increases elsewhere.

It's such a perplexing trend that the Conservative Political Action Coalition (CPAC) had to issue a message to red states trying to pass tax cuts this year. Their message? Just pass tax cuts without special interest giveaways."

"Tax cuts leave more money in people's hands, money they can use to go to school, invest in a business, buy a house, and on and on. This spurs economic growth and creates – ta da! – more tax revenue. "

Newsmax: N.C. GOP Shouldn't Gamble Away GOP's 2024 Chances

"Under a law passed this year, North Carolina legalized wagering on sports, both professional and college, at sportsbooks within 1.5 miles of professional sports facilities. There are eight of those scattered across the state. The state already allowed wagering at tribal casinos.

The goal is to regulate wagering so it doesn't get out of control or become dominated by criminal elements, and to tax it so the state can make money off something that people want to do anyway.

But before the ink is even dry on this law, and before anyone has actually placed a bet under its procedures, some are pushing to expand gambling even more in North Carolina. They want to open new casinos (in addition to the ones on tribal lands) and allow video gaming terminals at gas stations, restaurants, and convenience stores.

There are several reasons for North Carolina to be cautious. For one thing, once video gaming machines are installed, they are difficult to get rid of."

...

"Helping the left in the state to label the Republican Party as the party of the wealthy and well-connected by advancing this backroom gambling bill will play right into their hands, helping to secure another four years in the Oval Office for a man who seemingly struggles to aggregate thoughts and/or convey them clearly."

The American Spectator: Does the GOP Now Fear Tax Cuts?

"Tax cuts increase revenue for a number of reasons.

For one, they reduce incentives for taxpayers to utilize tax-evasion tactics, such as offshore banking and concealing taxable assets. When tax liabilities become more reasonable and in line with historic norms, most Americans take no issue with paying the pipers.

More importantly, however, tax cuts put more money in workers and businesses' pockets, leading to increased demand, spending, and jobs throughout the economy. The American people witnessed this phenomenon firsthand with the Trump tax cuts of 2018, when job growth and demand soared while prices on an array of consumer goods hit rock bottom.

For all these reasons and more, there is no reason to pair tax cuts with other revenue generators — at least not right away."

Sincerely,

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