



Archdiocese of St. Louis

Cardinal Rigali Center

20 Archbishop May Drive

St. Louis, Missouri 63119-5738

October 24, 2010

To: Priests, Deacons and People of the Archdiocese of St. Louis

In a very short time, we will go to the polls to elect officials for various national, state and local offices. In addition, in the State of Missouri, we will also be asked to vote on Proposition A, which concerns City Earnings Tax. As you prepare to vote and to inform yourself about the issues on the ballot, I would like to offer some information on Proposition A.

The earnings tax is authorized by the State for the cities of St. Louis and Kansas City. It came into use to replace revenue lost when the urban areas suffered as people moved to the suburbs. Both cities have experienced urban decay common to large cities in the United States. Along with this urban decay came a deteriorating tax base as property values dropped. The costs of maintaining the city's aging infrastructure: streets, sidewalks, sewer, water, police and fire protection rose as the tax base dropped. Both cities have a disproportional population of minorities, poor elderly, low-income families and homeless.

These two cities struggle to provide support for their own citizens, while expected by the people who live outside the city to provide all the benefits of a large community. These benefits include museums, zoos, safe streets, sports arenas, and entertainment venues and an expressway to carry them away from the problems of the urban areas.

The earnings tax is a way for these two cities to fund services by taxing those who earn their living in the city and enjoy all the benefits the city offers.

The intent of Proposition A is to force Kansas City and St. Louis to develop a referendum on the earnings tax. The proponents of Proposition A insist they are only asking the cities to let the people vote on keeping the tax in place. They offer no suggestion on how the vital services of the city should be funded. This will force St. Louis and Kansas City to raise the sales tax.

Throughout the nation various Catholic Conferences have condemned the use of sales taxes to pay for civil services because of its regressive nature. An example: A person with income of \$10,000 pays the same sales tax on toothpaste as a person with \$100,000. Earnings taxes are applied progressively as those with the greatest resources are asked to commit proportionately with their income to the common good of the people.

I believe that Proposition A will put the poor and vulnerable at risk. I suggest you prayerfully consider this before voting on Proposition A.

Sincerely yours in Christ,

Most Reverend Robert J. Carlson
Archbishop of St. Louis