



TOOL KIT

Advocate's Guide



Dear Friend:

Thank you for your interest in the campaign to remove Alabama's sales tax on groceries. We have assembled a number of resources that should help you become an effective advocate. This kit contains the following tools:

- Food Tax Facts (Everything You Should Know)
- Action Guide (Everything You Should Do)
- Sample Correspondence (Everything You Should Say)

An electronic copy of this kit and related resources are available online at www.alabamafoodtax.com.

So, now you are on your way! If you have questions or need additional information, please do not hesitate to call us at 334.242.7660. We're here to help!

Good Luck!



FOOD TAX FACTS

- The State of Alabama remains one of only 2 states left (with the State of Mississippi) that does not offer any offset, rebate or break on sales tax on food and groceries.
- Working Alabama families continue to struggle to meet rapidly rising fuel costs, skyrocketing mortgages and expanding insurance payments in the midst of a history-making recession. Many can no longer afford to feed their children.
- While working Alabamians struggle to put food in the cupboards, crafty business owners use an outdated state tax deduction, which can allow them to make millions of dollars and avoid paying any income taxes to the State of Alabama.
- House Bill 116, sponsored by State Representative John Knight, proposes an amendment to the Constitution of Alabama, to revise the deduction of federal income taxes paid when computing state income tax; to preserve legitimate tax deductions for working families and true small business owners; and to use the revenue recovered from the crafty million-dollar business accounting schemes to fund the removal of the state grocery tax.

About House Bill 116

1. Exempts sales of food from the state sales tax (4%).
2. Proposes a constitutional amendment, the "Tax Fairness Amendment of 2009", which must be ratified by voters in a state-wide election.
3. Repeals Amendment 225 of the Alabama Constitution, which allows taxpayers to fully deduct federal income taxes paid when computing state income tax.

Amendment 225 Ratified - Deduction of Federal Income Tax From Gross Income When Computing State Income Tax.

"In computing net income for state income tax purposes for the calendar year 1965 and each year thereafter, a resident individual taxpayer shall be allowed to deduct from his gross income the amount of federal income tax paid or accrued within the taxable year. A nonresident individual income taxpayer shall be allowed to deduct only that amount of federal income tax paid or accrued in the taxable year on income received from sources within the state."

4. Phases out the federal income tax deduction based on a taxpayer's adjusted gross income (AGI).

What Does It Cost the State?

FACT: House Bill 116 is revenue neutral. It costs approximately \$400 million and raises roughly \$400 million.

- In the state of Alabama, income and sales tax revenues are deposited into the Education Trust Fund, which supports public education.
- Because the money that the state collects from the sale of groceries is used to support education, removing the food tax could take away money needed in Alabama classrooms.
- House Bill 116 and the substitutes proposed by Representative John Knight protect education funds by using the revenue gained from the revision of the big-business federal income tax deduction scheme to fund the elimination of the state tax on groceries, making the plan revenue neutral.

What Does It Save Taxpayers?



FACT:

Eliminating the state sales tax on groceries with the Tax Fairness Amendment of 2009 proposed by the Food Tax Bill can save money for **all** taxpayers.

Grocery tax savings can be realized by all taxpayers without regard to income.

SAVINGS CHART

Filing Status	AGI	Alabama Income Tax Change	Alabama Sales Tax Change	Total Alabama Tax Change	Federal Income Tax Change	Total Tax Change
Single	75,000	0	(125)	(125)	0	(125)
Single	100,000	154	(125)	29	(39)	(10)
Single	125,000	419	(125)	294	(117)	177
Single	150,000	797	(125)	672	(223)	449
Single	200,000	1,981	(125)	1,856	(555)	1,301
Head of Family - 1 child	75,000	0	(226)	(226)	0	(226)
Head of Family - 1 child	100,000	132	(226)	(94)	(33)	(127)
Head of Family - 1 child	125,000	365	(226)	139	(91)	48
Head of Family - 1 child	150,000	697	(226)	471	(176)	295
Head of Family - 1 child	200,000	1,811	(226)	1,585	(507)	1,078
Married filing jointly - no children	125,000	0	(274)	(274)	0	(274)
Married filing jointly - no children	150,000	94	(274)	(180)	(23)	(203)
Married filing jointly - no children	200,000	438	(274)	164	(110)	54
Married filing jointly - no children	300,000	1,960	(274)	1,686	(647)	1,039
Married filing jointly - no children	400,000	4,579	(274)	4,305	(1,511)	2,794
Married filing jointly - 2 children	125,000	0	(468)	(468)	0	(468)
Married filing jointly - 2 children	150,000	86	(468)	(382)	(21)	(403)
Married filing jointly - 2 children	200,000	413	(468)	(55)	(103)	(158)
Married filing jointly - 2 children	300,000	1,894	(468)	1,426	(625)	801
Married filing jointly - 2 children	400,000	4,506	(468)	4,038	(1,487)	2,551

Source: Legislative Fiscal Office

What is the FIT Deduction?

- FIT stands for the Federal Income Tax deduction. In Alabama, all individual taxpayers are entitled to fully deduct income taxes paid or due to the federal government from Alabama taxable income. This works like other standard and itemized deductions to reduce the income on which taxpayers calculate taxes due the State.

FACT:

Alabama is only **one of three** states that allow taxpayers to fully deduct federal income taxes paid from taxable state income.

The other two states are Iowa and Louisiana.

Deductions		Box a or b MUST be checked	
11	Check box a, if you itemize deductions , and enter amount from Schedule A, line 26. Check box b, if you do not itemize deductions, and enter standard deduction (see instructions)	11	00
	<input checked="" type="radio"/> a Itemized Deductions <input type="radio"/> b Standard Deduction		
12	Federal tax deduction (see instructions). DO NOT ENTER THE FEDERAL TAX WITHHELD FROM YOUR FORM W-2(S)	12	00
13	Personal exemption (from line 1, 2, 3, or 4)	13	00
14	Dependent exemption (from page 2, Part III, line 2)	14	00
15	Total deductions. Add lines 11, 12, 13, and 14	15	00

You Must Attach page 2 of Federal Form 1040, Federal Form 1040A, Federal Form 1040NR, or page 1 of 1040EZ, if claiming a deduction on line 12.

Alabama Individual Income Tax Return - Form 40

What is AGI?

$$\text{Adjusted Gross Income (AGI)} = \text{Total Income} - \text{Total Adjustments to Income}$$

- AGI stands for Adjusted Gross Income. Adjusted gross income is equal to the taxpayers total income minus the total adjustments to income.

PART II	
1a	Your IRA deduction
b	Spouse's IRA deduction
2	Payments to a Keogh retirement plan and self-employment SEP deduction
3	Penalty on early withdrawal of savings
4	Alimony paid. Recipient's last name _____ Social s
5	Adoption expenses
6	Moving Expenses (Attach Federal Form 3903) to City _____
7	Self-employed health insurance deduction
8	Payments to Alabama PACT Program or Alabama College Education Savings Program
9	Total adjustments. Add lines 1 through 8. Enter here and also on page 1, line 9

Alabama Individual Income Tax Return - Form 40

- Allowable adjustments/reductions to total income:
- IRA Deductions (Personal and Spouse if Married Filing Jointly)
 - Payments to Keogh retirement plan and self-employment SEP deduction
 - Any penalty on early withdrawal of savings
 - Alimony paid
 - Adoption expenses
 - Moving expenses
 - Self-employed health insurance deduction
 - Payments to Alabama PACT or Alabama College Education Savings Program

How Does The FIT Deduction Help Big Business?



FACT:

An Alabama business taxpayer could make **\$7 million in income in Alabama** and would not owe **\$1 in income tax to our State**, by filing as an individual and using the state's FIT deduction.

Here's How It Works:

- Johnnie Dough is an Alabama resident who owns Rolling Dough, LLC, a successful business that has offices and employees in Alabama, Florida and Georgia. Rolling Dough, LLC earned roughly \$21 million in combined income, \$7,000,000 of which was earned in Alabama.

	Alabama	Georgia	Florida	Total
Income Earned	\$7,000,000	\$7,000,000	\$7,000,000	\$21 mil

- Johnnie Dough worked solely for Rolling Dough, LLC last year and has a spouse and two children. The Doughs paid the IRS \$6,879,991 owed in federal taxes on the \$21 million earned. They also paid the State of Georgia \$394,279 owed in state taxes, and because the State of Florida does not levy personal income taxes, they do not owe taxes to that state.

	Georgia	Florida	Federal
Taxes Owed	\$394,279	No Income Tax	\$6,879,991

- J. Dough's accountant computes \$1,354,221 in combined itemized deductions and personal exemptions, when calculating the state return.

Alabama Income Earned	\$ 7,000,000
<u>-Deductions/Exemptions</u>	<u>-\$ 1,354,221</u>
Income Sub-total	\$ 5,645,779

- Thanks to Alabama's full FIT deduction, the accountant now deducts the \$6,879,991 the Dough's paid in federal taxes on Rolling Dough's \$21 million in "individual" income to determine their Alabama Taxable Income.

Income Sub-total	\$ 5,645,779
<u>-Federal Taxes Paid</u>	<u>-\$ 6,879,991</u>
Taxable Income	(\$1,234,212) - Negative

WAIT!
That's tax on \$21 million, not the \$7 million earned here.

- The Dough accountant checks the state income tax table and finds that no income taxes are due on income less than \$50. Because Johnnie Dough, "individual" taxpayer has taxable income less than \$50, he or she does not owe any income taxes on the \$7,000,000 earned in Alabama.

Alabama Income Taxes Owed on \$7,000,000 earned in Alabama = \$0

How Does The FIT Deduction Help Big Business?

More Million-Dollar Loophole Examples

These are examples of the current income tax for a resident of Alabama who:

1. Owns an LLC that does one-third of its business in Alabama, one-third in Georgia, and one-third in Florida
2. Has no other sources of income
3. Is married with two dependent children

*HB116 impact is based on the bill as reported by the Education Appropriations Committee

The Knight proposal would help close the loophole.

	Current			Taxes with HB116
	Alabama	Georgia	Federal	Alabama (HB116)*
Income (\$300,000 - Total)	100,000	100,000	300,000	100,000
Itemized deductions	46,400	13,556	40,668	46,400
Federal income tax deduction	60,133	0	0	60,133
Personal exemptions	4,000	3,800	12,653	4,000
Taxable Income	-10,533	82,644	246,679	-10,533
Tax Due	0	4,699	60,133	0

	Current			Taxes with HB116
	Alabama	Georgia	Federal	Alabama (HB116)
Income (\$1.5 million - Total)	500,000	500,000	1,500,000	500,000
Itemized deductions	207,621	65,556	196,668	207,621
Federal income tax deduction	427,741	0	0	0
Personal exemptions	3,600	3,800	0	3,600
Taxable Income	-138,962	430,644	1,303,332	288,779
Tax Due	0	25,579	427,741	14,359

	Current			Taxes with HB116
	Alabama	Georgia	Federal	Alabama (HB116)
Income (\$30 million - Total)	10,000,000	10,000,000	30,000,000	10,000,000
Itemized deductions	1,926,621	600,556	1,801,668	1,926,621
Federal income tax deduction	9,840,991	0	0	0
Personal exemptions	3,600	3,800	0	3,600
Taxable Income	-1,771,212	9,395,644	28,198,332	8,069,779
Tax Due	0	563,479	9,840,991	403,409

	Current			Taxes with HB116
	Alabama	Georgia	Federal	Alabama (HB116)
Income (\$75 million - Total)	25,000,000	25,000,000	75,000,000	25,000,000
Itemized deductions	4,806,621	1,500,556	4,501,668	4,806,621
Federal income tax deduction	6,879,991	0	0	0
Personal exemptions	3,600	3,800	0	3,600
Taxable Income	13,309,788	23,495,644	70,498,332	20,189,779
Tax Due	0	1,409,479	24,645,991	1,009,409

Source: Legislative Fiscal Office

FACT: Nationally, less than 10% of small business income filed on individual income taxes is more than \$250,000. Source: Tax Policy Center

Most true small businesses would not see a substantial increase in state income taxes.

Will Anyone Pay More?

FACT:

The Alabama Department of Revenue estimates that between 92-95% of taxpayers will save money with House Bill 116 as proposed by Rep. Knight.

- Currently, the state's lowest wage earners pay a greater percentage of their income in taxes than the top wage earners.

THE CULPRIT:

- Low property taxes (Value/asset based)
- High sales taxes (General - Not based on asset value)

- It is estimated that the top 1% of taxpayers pay less than 5% of their income in state and local taxes. The lowest and middle-wage earners pay 10-11% of their income in state and local taxes.

- Top wage earners and their advocates claim that the elimination of the federal income tax deduction amounts to a tax increase, because wealthy taxpayers will see their taxable incomes increase.

THE ANSWER: If you make more money, you should pay more taxes.

- Knight's plan will allow single taxpayers making less than \$200,000 per year in adjusted gross income (AGI) and married taxpayers filing jointly making less than \$400,000 per year in AGI to retain all or some portion of their federal income tax deductions.
- With the elimination of the FIT, a single taxpayer can earn approximately \$97,000 (AGI) per year; a parent with one child, can roughly make up to \$112,000 (AGI); and a married couple filing jointly with two children, can roughly make up to \$207,000 (AGI) per year without paying more in state taxes.
- If you also consider savings realized from the elimination of the grocery tax and the increased federal income tax savings, potential increases for top wage earners are nominal. A married couple making more than \$400,000 per year would see an increase of far less than 1% of their income.

SAVINGS CHART

Filing Status	AGI	Alabama Income Tax Change	Alabama Sales Tax Change	Total Alabama Tax Change	Federal Income Tax Change	Total Tax Change
Single	75,000	0	(125)	(125)	0	(125)
Single	100,000	154	(125)	29	(30)	(1)
Single	125,000	419	(125)	294	(117)	177
Single	150,000	797	(125)	672	(223)	449
Single	200,000	1,981	(125)	1,856	(555)	1,301
Head of Family - 1 child	75,000	0	(226)	(226)	0	(226)
Head of Family - 1 child	100,000	132	(226)	(94)	(33)	(127)
Head of Family - 1 child	125,000	385	(226)	159	(91)	68
Head of Family - 1 child	150,000	697	(226)	471	(176)	295
Head of Family - 1 child	200,000	1,811	(226)	1,585	(507)	1,078
Married filing jointly - no children	125,000	0	(274)	(274)	0	(274)
Married filing jointly - no children	150,000	94	(274)	(180)	(23)	(203)
Married filing jointly - no children	200,000	438	(274)	164	(110)	54
Married filing jointly - no children	300,000	1,894	(274)	1,620	(647)	1,033
Married filing jointly - no children	400,000	4,579	(274)	4,305	(1,511)	2,794
Married filing jointly - 2 children	125,000	0	(468)	(468)	0	(468)
Married filing jointly - 2 children	150,000	86	(468)	(382)	(21)	(403)
Married filing jointly - 2 children	200,000	413	(468)	(55)	(103)	(158)
Married filing jointly - 2 children	300,000	1,894	(468)	1,426	(625)	801
Married filing jointly - 2 children	400,000	4,506	(468)	4,038	(1,487)	2,551

For \$400,000 in joint income, \$2,551 is a 0.638 percent increase.

That's scarcely more than one-half of one percent.

Married filing jointly - 2 children	125,000	0	(468)	(468)
Married filing jointly - 2 children	150,000	86	(468)	(382)
Married filing jointly - 2 children	200,000	413	(468)	(55)
Married filing jointly - 2 children	300,000	1,894	(468)	1,426
Married filing jointly - 2 children	400,000	4,506	(468)	4,038

	0	(468)
	(21)	(403)
	(103)	(158)
	(625)	801
	(1,487)	2,551

Source: Legislative Fiscal Office

What is the FIT Phase Out Plan?

- The bill gradually phases out the federal income tax deduction in an effort to close the costly loophole that allows large business owners to avoid paying state income taxes, but preserves the deduction for most of the state's individual taxpayers and small business owners.
- Single filers making \$76,250 (AGI) and less and joint filers making \$127,750 (AGI) and less will retain all of their FIT, and may continue to fully deduct the federal income taxes paid on their state returns.
- The FIT is reduced by one percent for each \$1,250 in AGI for single filers or \$2,750 in AGI for joint filers above the full-deduction threshold, until their FIT phases out at \$200,000 and \$400,000, respectively.



The FIT Phase Out Scale

FIT	Single	Married Filing Jointly
100%	\$76,250	\$127,750
90%	\$88,750	\$155,250
80%	\$101,250	\$182,750
70%	\$113,750	\$210,250
60%	\$126,250	\$237,750
50%	\$138,750	\$265,250
40%	\$151,250	\$292,750
30%	\$163,750	\$320,250
20%	\$176,250	\$347,750
10%	\$188,750	\$375,250
5%	\$195,000	\$389,000
Phased Out – 0%	\$200,000	\$400,000

Source: Legislative Fiscal Office

Single Filer Phase Out Chart

Single at least	Single up to	FIT %
-	76,250	100%
76,250	77,500	99%
77,500	78,750	98%
78,750	80,000	97%
80,000	81,250	96%
81,250	82,500	95%
82,500	83,750	94%
83,750	85,000	93%
85,000	86,250	92%
86,250	87,500	91%
87,500	88,750	90%
88,750	90,000	89%
90,000	91,250	88%
91,250	92,500	87%
92,500	93,750	86%
93,750	95,000	85%
95,000	96,250	84%
96,250	97,500	83%
97,500	98,750	82%
98,750	100,000	81%
100,000	101,250	80%
101,250	102,500	79%
102,500	103,750	78%
103,750	105,000	77%
105,000	106,250	76%
106,250	107,500	75%
107,500	108,750	74%
108,750	110,000	73%
110,000	111,250	72%
111,250	112,500	71%
112,500	113,750	70%
113,750	115,000	69%
115,000	116,250	68%
116,250	117,500	67%
117,500	118,750	66%
118,750	120,000	65%
120,000	121,250	64%
121,250	122,500	63%
122,500	123,750	62%
123,750	125,000	61%
125,000	126,250	60%
126,250	127,500	59%
127,500	128,750	58%
128,750	130,000	57%
130,000	131,250	56%
131,250	132,500	55%
132,500	133,750	54%
133,750	135,000	53%
135,000	136,250	52%
136,250	137,500	51%
137,500	138,750	50%

Single at least	Single up to	FIT %
138,750	140,000	49.00%
140,000	141,250	48.00%
141,250	142,500	47.00%
142,500	143,750	46.00%
143,750	145,000	45.00%
145,000	146,250	44.00%
146,250	147,500	43.00%
147,500	148,750	42.00%
148,750	150,000	41.00%
150,000	151,250	40.00%
151,250	152,500	39.00%
152,500	153,750	38.00%
153,750	155,000	37.00%
155,000	156,250	36.00%
156,250	157,500	35.00%
157,500	158,750	34.00%
158,750	160,000	33.00%
160,000	161,250	32.00%
161,250	162,500	31.00%
162,500	163,750	30.00%
163,750	165,000	29.00%
165,000	166,250	28.00%
166,250	167,500	27.00%
167,500	168,750	26.00%
168,750	170,000	25.00%
170,000	171,250	24.00%
171,250	172,500	23.00%
172,500	173,750	22.00%
173,750	175,000	21.00%
175,000	176,250	20.00%
176,250	177,500	19.00%
177,500	178,750	18.00%
178,750	180,000	17.00%
180,000	181,250	16.00%
181,250	182,500	15.00%
182,500	183,750	14.00%
183,750	185,000	13.00%
185,000	186,250	12.00%
186,250	187,500	11.00%
187,500	188,750	10.00%
188,750	190,000	9.00%
190,000	191,250	8.00%
191,250	192,500	7.00%
192,500	193,750	6.00%
193,750	195,000	5.00%
195,000	196,250	4.00%
196,250	197,500	3.00%
197,500	198,750	2.00%
198,750	200,000	1.00%
200,000	and up	0.00%

Single filers can deduct FIT up to \$200,000 in AGI.

Married Filing Jointly Phase Out Chart

MFJ at least	MFJ up to	FIT %
-	127,750	100%
127,750	130,500	99%
130,500	133,250	98%
133,250	136,000	97%
136,000	138,750	96%
138,750	141,500	95%
141,500	144,250	94%
144,250	147,000	93%
147,000	149,750	92%
149,750	152,500	91%
152,500	155,250	90%
155,250	158,000	89%
158,000	160,750	88%
160,750	163,500	87%
163,500	166,250	86%
166,250	169,000	85%
169,000	171,750	84%
171,750	174,500	83%
174,500	177,250	82%
177,250	180,000	81%
180,000	182,750	80%
182,750	185,500	79%
185,500	188,250	78%
188,250	191,000	77%
191,000	193,750	76%
193,750	196,500	75%
196,500	199,250	74%
199,250	202,000	73%
202,000	204,750	72%
204,750	207,500	71%
207,500	210,250	70%
210,250	213,000	69%
213,000	215,750	68%
215,750	218,500	67%
218,500	221,250	66%
221,250	224,000	65%
224,000	226,750	64%
226,750	229,500	63%
229,500	232,250	62%
232,250	235,000	61%
235,000	237,750	60%
237,750	240,500	59%
240,500	243,250	58%
243,250	246,000	57%
246,000	248,750	56%
248,750	251,500	55%
251,500	254,250	54%
254,250	257,000	53%
257,000	259,750	52%
259,750	262,500	51%
262,500	265,250	50%

MFJ at least	MFJ up to	FIT %
265,250	268,000	49.00%
268,000	270,750	48.00%
270,750	273,500	47.00%
273,500	276,250	46.00%
276,250	279,000	45.00%
279,000	281,750	44.00%
281,750	284,500	43.00%
284,500	287,250	42.00%
287,250	290,000	41.00%
290,000	292,750	40.00%
292,750	295,500	39.00%
295,500	298,250	38.00%
298,250	301,000	37.00%
301,000	303,750	36.00%
303,750	306,500	35.00%
306,500	309,250	34.00%
309,250	312,000	33.00%
312,000	314,750	32.00%
314,750	317,500	31.00%
317,500	320,250	30.00%
320,250	323,000	29.00%
323,000	325,750	28.00%
325,750	328,500	27.00%
328,500	331,250	26.00%
331,250	334,000	25.00%
334,000	336,750	24.00%
336,750	339,500	23.00%
339,500	342,250	22.00%
342,250	345,000	21.00%
345,000	347,750	20.00%
347,750	350,500	19.00%
350,500	353,250	18.00%
353,250	356,000	17.00%
356,000	358,750	16.00%
358,750	361,500	15.00%
361,500	364,250	14.00%
364,250	367,000	13.00%
367,000	369,750	12.00%
369,750	372,500	11.00%
372,500	375,250	10.00%
375,250	378,000	9.00%
378,000	380,750	8.00%
380,750	383,500	7.00%
383,500	386,250	6.00%
386,250	389,000	5.00%
389,000	391,750	4.00%
391,750	394,500	3.00%
394,500	397,250	2.00%
397,250	400,000	1.00%
400,000	and up	0.00%

Joint filers can deduct FIT up to \$400,000 in AGI.

What Will Be Exempt From State Sales Tax?

- The Food Tax Bill uses the Federal Food Stamp Act to determine which foods are eligible for exemption of the state sales tax.
- Most food products purchased in the grocery store would be exempt from the 4% sales tax.
- Food is defined as any food product used for home consumption. This does not include alcoholic beverages, tobacco, or generally hot foods sold in many grocery deli counters, which are ready for immediate consumption.
- The food tax exemption includes candy and soft drinks.
- Non-food items regularly purchased in grocery stores (soap, laundry items, vitamins, pet foods, paper products, etc.) will remain fully taxed at the state's 4% sales tax rate.

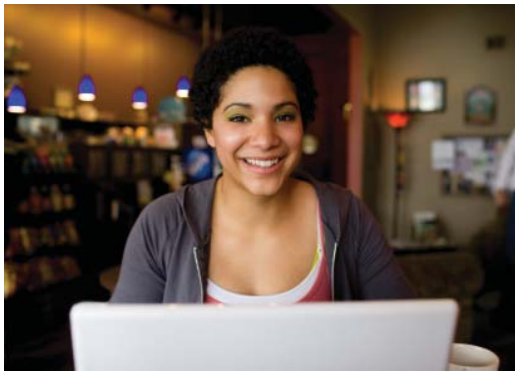


How Will Shoppers See the Change in Sales Tax?

- The sales tax that consumers pay at the register on groceries is a combination of taxes levied by the state of Alabama and local governments (cities, counties, etc.).
- If the Food Tax Bill passes the Legislature and is approved in an election by Alabama voters, shoppers will see the 4% savings at the grocery checkout beginning January 1, 2011.
- Local municipalities (cities, counties, etc.) will continue to administer sales taxes on groceries. However, legislation has been introduced in the Alabama Legislature to give local governments the option of also removing their sales taxes on food.
- The Food Tax Bill requires local governments to tax food at a rate equal to the general sales tax rate. This prohibits local lawmakers from raising only their grocery tax rates to replace the break in state tax.

Will Any Other Tax Rates Change?

- The Food Tax Bill does not raise property or income tax rates.
- Because the legislation alters taxpayers' ability to claim the state deduction for federal income taxes paid, it is possible that wealthier taxpayers may see an increase in their taxable income, which means more taxes will be owed on the increased income.



ACTION GUIDE

It's Easy To Get Involved!

- **EDUCATE** yourself and others on the effort to remove the sales tax on groceries and what it really means for working Alabamians and their families.
- **EMPOWER** yourself and other citizens to take action (once you've got the facts) by making your position known to your elected officials and decision makers.
- **INSPIRE** others to join the campaign, and get involved by taking action today!

What Can You Do?

Here are a few suggestions:

1. Make your position known.

Call your State Representative at 334-242-7660 and your State Senator at 334-242-7800, tell them that you support the removal of the state's grocery tax, and ask them to vote YES on House Bill 116.

Send members of the Legislature a letter outlining your reasons for supporting the removal of the sales tax on food. Make it personal! Legislators need to understand how this bill can help struggling families.

2. Encourage your family and friends to take a stand for Alabama families.

Call your friends and encourage them to find out how the food tax bill will impact them. Chances are they will join the campaign.

Send them a copy of the Advocates Guide to share the food tax facts.

3. Start a personal email campaign.

Email your lawmakers; tell them why you support House Bill 116; and ask them to vote YES on House Bill 116.

Forward a copy of the food tax post card to your entire email list. Many citizens want to know how they can help. The more the merrier!

Communication Kit

Sample Phone Script

Hello may I speak to Representative/Senator _____ (insert name) _____?

My name is _____ (insert name) _____, and I live in the district that you represent. I'm calling to ask you to support House Bill 116, removing the sales tax from groceries.

These are tough times for families in this state, and we critically need your leadership in providing some tax relief on the food that we purchase to feed our children.

I am asking you to support this legislation, by voting for its passage. The people of this state should and must decide this important issue. Can I count on you to vote yes?

Sample Email Script

Dear Representative/Senator _____ (insert name) _____?

Please vote YES on House Bill 116, the Food Tax Bill, which will remove the state sales tax from groceries. Many of the citizens in your district are struggling to make it during these tough times. We desperately need your leadership and courage to give these families some relief.

House Bill 116 will be of great benefit to lower income, middle class and our state's highest earners, because everyone must have food. We need help now!

Please vote YES on House Bill 116! Your constituents are counting on you!

Sample Letter

Date

XXX XXX
11 South Union Street
Montgomery, Alabama 36130

Dear Representative / Senator:

I urge you to vote for Rep. John F. Knight's plan to remove the state sales tax on groceries. Many working Alabama families are finding it increasingly hard to make ends meet. As the nation's economy continues to suffer through tough economic times, and the number of layoffs continues to climb, Alabama remains one of only two states-the other is Mississippi-that continue to offer no sales tax break on groceries.

No one should be taxed for buying basic food necessities. Exempting food from the sales tax provides relief to all consumers. Low and moderate-income families spend a larger proportion of their income on food than higher-income families and receive a greater tax relief. The benefits from an exemption on food from the sales tax would go directly to families at the checkout lines.

I hope we can count on your vote on HB116 to help Alabama households make ends meet.

Sincerely,