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Issue Brief #1:

Mitt Romney's record of higher fees and taxes as governor

As governor of Massachusetts, Mitt Romney raised state government fees and taxes by three quarters of a billion dollars a year. During his four year tenure, Romney nicked and dined Massachusetts families and individuals with over a hundred fee increases, on everything from getting married (he upped the price for a marriage license), to buying a new home (he increased charges for Registry of Deeds paperwork), to owning a gun legally (he tripled the fee for a Firearms ID Card). He also proposed and obtained hundreds of millions of dollars in new tax revenues from business, with tax changes he dubbed loophole closings but critics said were really just tax increases. The fee hikes and tax revenue increases described here were all proposed by Romney himself, as elements of various budgets, revenue raiser packages, or other measures or policy proposals originating in Romney's office.

Increased state fees and taxes by three quarters of a billion dollars

\$432 million in fee hikes: As governor, Romney increased state fees on residents on businesses by \$432 million annually. These fee hikes were all proposed by Romney; they were not items originated by the Legislature. (Note that Romney originally sought an even higher amount, but the Legislature reduced or rejected some of his demands for higher fees.)

\$309 million in higher taxes: As governor, Romney increased various taxes on businesses by \$309 million annually, via three "corporate loophole" closing packages, one each in 2003, 2004 and 2005. (Note that Romney originally proposed an even higher amount of increased taxes on business but reduced or dropped some proposals due to opposition from business and/or lack of Legislative support.)

= \$740.5 million dollars a year in higher fees and taxes

Year	Fee/tax increase	Revenue raised in millions (annually)	Notes	Source
2003	88 different fee increases in first budget	\$59.0	Proposed in Romney's first budget -- increases in 88 different new or existing fees, including fees to get a marriage license, renew a driver's license, and legally possess a gun. (See "Detailed list of All Romney Fee and Tax Increases" for a complete list)	Boston Globe 2/28/03, 7/24/03 Mass. Taxpayers Fdn. 5/15/03
2003	Registry of Deeds fee increases	\$175.0	Proposed by Romney in February 2003 -- affects all real estate transactions, such as buying and selling a house	Boston Globe 2/27/03 Boston Globe 9/27/06
2003	Petroleum product delivery fees	\$60.0	Proposed in Romney's first budget -- tax generally would be passed on from wholesalers to retailers to drivers and other consumers	Mass. Taxpayers Fdn. 5/15/03 Boston Herald 6/28/03
2003	Fees from Children's Medical Security Program co-pays and premiums	\$6.5	Proposed in Romney's first budget -- fees to be paid by residents receiving insurance through these programs	H.1, Line item 4590-0905
2003	Fees for probation services	\$45.0	Proposed in Romney's first budget -- additional fees to be collected by probation officers and public defenders	H.1, Line item 0339-1006 Boston Globe 2/27/03
2003	Sales tax increase on used car sales	\$10.0	Proposed in Romney's first budget -- tax raised by assigning higher values to used cars	Boston Globe 2/27/03
2003	Increased tuition & fees at state & community colleges	\$50.0	Proposed in Romney's first budget	Boston Globe 2/27/03
2003	"User fee" on private insurance companies to pay for MassHealth	\$0.0	Proposed in Romney's first budget and valued at \$90 million-- in response to industry opposition, Romney later withdrew the proposal	StateHouse News Service 2/26/03, 4/10/03; Boston Globe 2/27/03
2003	Expansion of bottle bill deposits	\$0.0	Proposed new 5-cent deposits on water and juice bottles and 15-cent deposits on wine and liquor; change valued at	Boston Globe 4/4/03

			\$15 million. Rejected by the Legislature	
2003	Corporate tax increases ("closing loopholes")	\$128.0	Proposed by Romney in separate bill at same time as first budget	Boston Globe 2/27/03
2003	Increased premiums for MassHealth and children's health state insurance	\$10.0	Implemented in November 2003 by Romney-Healey administration, targeted at poor families receiving Medicaid	StateHouse News Service 12/17/03
2004	Various fee increases in second budget	\$16.5	Proposed in Romney's second budget -- includes doubling of mortgage broker licensing fee, increased civil service exam fee	Boston Globe 1/29/04
2004	Corporate tax increases ("closing loopholes")	\$95.5	Proposed in tandem with Romney's second budget	Boston Globe 3/4/04
2005	Corporate tax increases ("closing loopholes")	\$85.0	Bill filed by Romney in January 2005 and originally proposing \$170 million in higher taxes. In response to business opposition, Romney later scaled back his proposal, Legislature passed smaller version raising about \$85 million annually	Boston Globe 2/1/05 Boston Globe 6/11/05
	TOTAL of all higher fees and taxes proposed by Gov. Mitt Romney and which became law.	\$740.5	Note: The actual amount of tax and fee increases proposed by Romney was even higher, since the state Legislature rejected or reduced some of Romney's proposed increases. See above notes.	

[Download the full list of Romney fee and tax increases here.](#)

Romney's record of fee hikes and taxes became an issue in the 2006 governor's race, with the Boston Globe reporting that "Fees and taxes have increased more than \$700 million a year under Governor Mitt Romney and Lieutenant Governor Kerry Healey, a leading budget specialist said." The analysis, by The Massachusetts Taxpayers Foundation, pegged Romney's fee hikes and tax revenue increases at \$740 million to \$750 million a year.¹

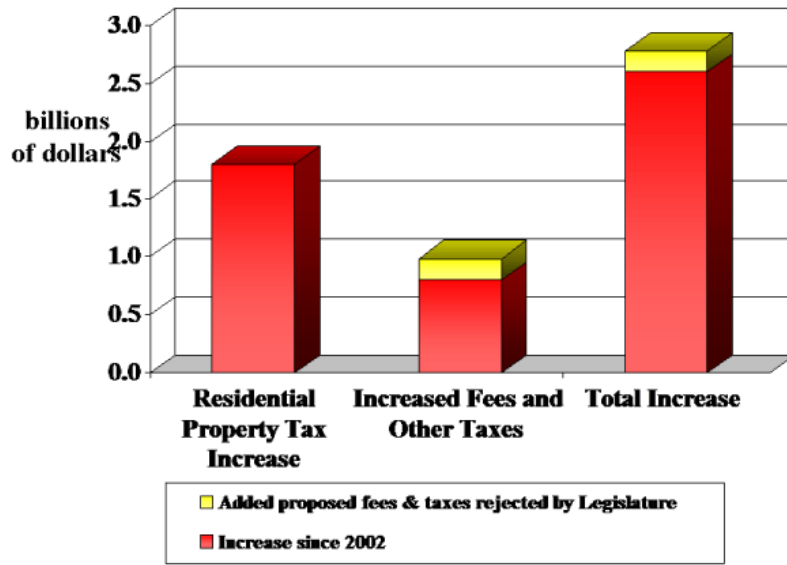
What's more: Romney "forcing [tax] increases at the local level."

In addition to the three quarters of a billion dollars in higher fees and state taxes Romney imposed as governor, his tenure also saw massive increases in property taxes in Massachusetts ---in significant part due to Mitt Romney. In fact, the non-partisan and highly respected FactCheck.org says Romney "shifted some of the tax burden to the local level" and "to some extent Romney avoided a state tax increase only by forcing increases at the local level."²

Among his first acts as governor in 2003, Romney imposed massive cuts to "Local Aid:" the cash transfers from state coffers to cities and towns that are a crucial element of local budgets for schools, emergency services and more in Massachusetts. In February 2003, Romney unilaterally cut \$114 million from Local Aid accounts and proposed a budget cutting \$232 million more.³ The Boston Globe has said Romney's "local aid cuts forced cities and towns to cut services and raise property taxes."

Massachusetts homeowners paid a steep price for Romney's shell game. The average single-family property tax bill statewide rose from \$3,015 in fiscal 2002 to \$3,799 in 2006, a 26 percent increase, or \$784 a year.⁴ During the same period, the residential property tax levy (that is, the total amount collected) increased by \$1.8 billion statewide, or a staggering 35 percent from fiscal 2002 to 2006.⁵

Higher Massachusetts fees and taxes under Mitt Romney



¹Boston Globe, 9/27/06

²http://www.factcheck.org/elections-2008/gop_candidates_debate_round_2.html

³Boston Globe, 2/26/03

⁴Boston Globe, 9/6/06

⁵Massachusetts Municipal Association Research Bulletin, 4/3/06

Paid for and authorized by the Massachusetts Democratic Party