



# Local Services Tax Talking Points



## Background

- The LST supports the safety of workers in a municipality
- Established in 2004 at \$52 annually, it has not been raised to keep up with costs
  - \$52 is only \$1 per week
- The LST can be used to fund police, fire, or emergency services, road construction or maintenance, and property tax relief
- Expiration of ARPA dollars and increased economic pressures have put a strain on municipal budgets
  - Authorization to increase the LST helps prevent municipal distress
- Authorization would ease the need to increase millage rates and special purpose taxes for public safety use

## Costs Continue to Rise

- According to the U.S. Bureau of Labor Statistics, what could be purchased for \$1 in January 2004 now costs \$1.75 in August 2025
  - In 2004, a fire truck cost \$200,000 to \$400,000, today it costs over \$1 million
  - In 2004, a police car cost around \$25,000, today it costs over \$60,000
  - In 2004, the median salary for a police officer was around \$50,700, today it is around \$76,200
  - In 2004, a dump truck cost around \$50,000, today it costs an average of \$190,000

## An Increased LST Would Support Municipal Services

- An increased LST would mean municipalities can
  - Hire part or full-time police officers
  - Purchase fire, police, and EMS safety apparatuses and equipment
  - Support volunteer, paid, or combination fire departments
  - Support ambulance services
  - Purchase needed road construction and maintenance equipment

## Legislative Ask – Sign on as a cosponsor

- A bipartisan co-sponsorship memo introduced by Representatives Flick and Smith-Wade-El proposes an increase to the LST up to \$156

**Take Action!**