



JEWELERS OF AMERICA

PRESS RELEASE
FOR IMMEDIATE RELEASE
March 24, 2009

Jewelers of America Applauds Decision to Drop Illinois Luxury Tax

The proposed legislation threatened a 5% luxury tax on jewelry and watches over \$20,000

New York, NY – Jewelers of America, the national trade association for businesses serving the fine jewelry retail marketplace, is pleased to announce that the Illinois State Legislature’s Revenue and Finance Committee will not move forward with H.B. 451, a bill that would have imposed a 5% luxury tax on fine jewelry purchases and timepieces over \$20,000 in the state.

“This is an important victory for jewelers in the State of Illinois. It sends a powerful message that the jewelry industry will not tolerate unfair tax legislation,” says Jewelers of America President and CEO Matthew A. Runci.

Jewelers of America targeted both members and non-members in an aggressive anti-luxury tax letter and fundraising campaign, reaching out to its state affiliate, the Illinois Jewelers Association, and the non-affiliated Chicago Jewelers Association.

The association provided jewelry businesses with sample letter-petitions and the addresses of Illinois State legislators, including the bill’s sponsor, members of the committees considering the proposal, and the state’s legislative leaders. Jewelers were urged to collect signatures from all of their employees to add to the letter-petitions, to underline the effect that a luxury tax could have on workers in the jewelry and watch industries.

Runci applauded the response to the campaign, noting that the collective effort stopped the damaging legislation before it could gain momentum.

New York State Luxury Tax

The fight to stop a luxury tax in Illinois was part of a two-pronged effort on the part of Jewelers of America, which has also targeted a similar luxury tax proposal in New York State's budget bill (S00060). That proposal also calls for a 5% tax on jewelry and watches over \$20,000.

Jewelers of America continues to keep a close watch on the New York state legislature, where it was joined in its efforts with the American Watch Association. The associations hired a lobbyist in the state capital of Albany to advocate on the industry's behalf and they continue to press legislators and Gov. David Paterson to drop the proposal from the final version of the budget. The New York State Jewelers Association is also pitching in, galvanizing its membership to call or write their representatives.

New York state jewelers and other interested parties can request background information and letter petitions opposing the state's proposed luxury tax by contacting Jewelers of America's public affairs department.

For more information, contact the Public Affairs Department:

Peggy Jo Donahue
Director of Public Affairs
pjdonahue@jewelers.org
(646) 658-5802

Susan Thea Posnock
Public Affairs Manager
sposnock@jewelers.org
(646) 658-5806

About Jewelers of America:

Jewelers of America is the national trade association for businesses serving the fine jewelry retail marketplace, representing 11,000 member stores. Jewelers of America's primary purpose is to improve consumer confidence in the jewelry industry by: serving as a forum for discussion and analysis of issues; playing a leadership role in public, government and industry affairs; advocating professionalism, including high ethical, social and environmental standards; and facilitating members' access to education. For more information about Jewelers of America, visit www.jewelers.org.