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NEWS COLUMN NO TAX PAYER LEFT BEHIND

By Peggy Scott
State Representative

As the weather heats up, so is the discussion on taxes. Democrats in the Legislature have proposed billions of dollars of tax increases on the citizens of our state. Unlike the usual myth they like to portray, that they only want to tax the rich, their proposed increases would hit every single taxpayer.

They want to raise the income tax rate on every tax bracket. Their plan is to raise the income tax rate on the lowest bracket, which makes \$33,220, from 5.35% to 6%. For families that make \$33,220, but not over \$131,970 the tax rate would jump from 7.05% to 7.7%. For those families making more than \$131,970, they currently pay a 7.85% tax rate that would jump to 8.5%. On top of that, they're creating a new tax bracket of 9.2% on families that make over \$250,000 a year.

These tax hikes will do two things. One, they will hurt families that are struggling to stay afloat while their salaries are reduced or they are facing layoffs. The poorest families will see a 0.65% increase in their taxes. With the income tax on families in Wisconsin ranging from 4.6% to 6.75%, in North Dakota 2.10% to 5.54%, and South Dakota not having an income tax at all this is simply encouraging residents to leave our state.

Two, the tax increases will kill main street jobs, by hitting small businesses the hardest. According to the Chamber of Commerce over 90% of all Minnesota's small businesses have their income going through a personal income tax return. If we make it harder for small businesses to run, they'll simply shut down business and put even more people out of work.

They are going to raise your taxes by taking away the mortgage interest tax deduction. This deduction is what helps keep families in their homes. By making homes even less affordable we will be putting more weight on an already unstable housing market. It would put home ownership, which is a part of the American Dream, out of the reach of many Minnesotans. It would also make it harder for families that are growing in size and want to move to a bigger home, or those thinking about downsizing, to do so.

They also want to take away your income tax deductions such as the charitable donation deduction, and child care expense deductions. If all of these deductions were to be removed it would be one of the largest tax increases Minnesotans have ever seen. It would like be the straw that breaks the family budget.

They also want to control your behavior by increasing the "sin taxes". They're proposing to double the tax on beer. So if you want to enjoy your favorite brew while grilling hamburgers this summer you'll pay double the tax in order to do so. And, if you smoke they'll force you to pay nearly \$3.20 in tax on every pack of cigarettes.

Many people in our area like to head up north for the weekend and enjoy the great outdoors. If you're looking to buy your neighbors boat, snowmobile, or ATV they'll tax you more on that purchase. They'll be watching every purchase you make no matter who you buy from to make sure they can grab more money out of your wallet.

Of course this is by no means an exhaustive list of all the tax increases they want to hike. Governor Pawlenty has vowed to keep the government from digging deeper into

your wallets and taking more money. I will stand with him and make sure these tax increases stay in the place they are currently headed: the veto pile.

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