

Opinion by John - May 1008

By John J. Crawford, Chamber President

State Tax Policy Needs to Change - Now

If it is safe to say that Michigan needs Jobs, then it must be safe to say that Michigan needs Jobs Providers.

You can't have one without the other. Michigan government is broken and ignores this fundamental fact.

Last month, I contrasted the national government's reaction to news of an economic slowdown to that of Michigan's. Polar opposite approaches - One issues \$153 Billion in "Economic Stimulus Checks" to every taxpayer and the other raises Personal Income Taxes 11%. Which reaction do you think will stimulate the economy better?

Business Capital + Workforce Talent = Jobs

The talented workforce that we have here in Michigan also needs business capital in order to create jobs. Our current tax policy discourages the formation and attraction of capital in Michigan and, hence, we have a loss of jobs.



reasons.

Michigan needs to place the Fair Tax initiative on the November ballot and voters need to approve it. Our government again picked winners and losers with the new MBT tax. Last month, now that the MBT is in place, at hearings at GVSU by State House members, we heard first hand from about 5 tax pros, 18 Business Losers and 1 Winner. All opposed the MBT and for many good

MPI Partners announced last month it is bringing 3,300 jobs to Kalamazoo. That's good news! You and I, however, have to pay them \$86,000,000 – or \$26,060 per job – to get them to do that. How much are you getting paid to provide a job at your business?

According to the University of Michigan, the state has lost over 490,000 full-time jobs since 2001. Following the government's strategy to get us back to our prior employment levels, we will have to fork over more than \$6,940,000,000 in hand-picked carve-outs and tax favors to buy all those jobs back.

If it is good enough for MPI, then it is good enough for every loyal Michigan business and jobs provider in this state!

Tax Law Needs to be CHANGED – not Tweaked

The Fair Tax is exactly that – it is just plain fair. Everyone pays if they buy anything. No loopholes. No special interests.

Here is what the Fair Tax will do

- Sets state-imposed business taxation at zero.
- Sets Personal Income Taxes at zero.
- Un-taxes the Poor with Prebates for every Michigan resident
- Sets the Sales Tax at 9.75% on Goods and Services across the Board.

- Eliminates business-to-business taxation.
- Eliminates all loopholes, income tax returns and Hidden taxes.
- Discloses the cost of state government to everyone with every purchase.
- Removes taxation and tax preparation from the cost of doing business in Michigan
 - This alone will be a massive attraction for Business Capital to our state!
- Broad-based. *Everyone* except the Poor, pays into the Treasury, including drug dealers, Illegal immigrants and black-market businesses

I have petitions that you can sign and help circulate to get this vital issue before the voters in November. Let me know if you have further questions or visit www.mifairtax.org for more information.

At least, that's my *Opinion by John*.

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