



Friday, February 6, 2009

Fourth Week of Session

Selling the Iowa Lottery and Dismantling Iowa's Right to Work Law Proposals Revived

This week at the Statehouse was a slow week for tax legislation, with the House and Senate Ways and Means Committees cancelling meetings. However, a move proving no legislative idea ever really goes away, lawmakers revived talks of selling the Iowa Lottery and discussed legislation to dismantle Iowa's over 60-year-old Right to Work Law.

Selling the Lottery.

In a move to grab some fast cash for the State, Democrat Legislative Leaders revived talk about selling the Iowa Lottery to private investors. Last month, Governor Culver proposed selling or leasing the Lottery to private investors then backed away from the idea quickly when Iowans spoke out against the concept.

The plan to sell the Lottery would provide state coffers with a one-time cash infusion, but leave a gaping hole in the state budget in future years. Reviving this irresponsible proposal illustrates the fact Legislators are unwilling to cut wasteful, over-the-top spending, of the past two years.

Make no mistake; the proposal to sell the Lottery is only the first of many fast-cash gimmicks which will be tossed around the Capitol to balance the state budget this year.

Dismantling Iowa's Right to Work Law.

This week several labor organizations began a public campaign to encourage Legislators to support a bill which would dismantle Iowa's Right to Work Law. The proposal would force non-union employees to pay dues to a union, and directly flies in the face of Iowa's Right to Work Law.

Guaranteeing no person can be compelled, as a condition of employment, to join or not to join, nor pay dues to a labor union is the core principle of Iowa's Right to Work Law. Requiring employees to fund an organization they choose not to belong directly attacks Iowans freedom to choose to fund labor unions and effectively dismantles Iowa's Right to Work Law.

This week's discussion revives the union cash grab from the past two years. Some in the Iowa Legislature have misnamed this proposal Fair Share. There is nothing fair about requiring Iowans to have money taken out of their paychecks to fund organizations they choose not to join.

Iowans for Tax Relief OPPOSES efforts to dismantle Iowa's Right to Work Law.

Federal Deductibility Update

With all of the bad ideas recycled in the Iowa Legislature this week, concern continues to grow one misguided solution to the state budget disaster will be to take away every Iowans' right to deduct all federal income tax payments on their Iowa income tax returns.

Lawmakers need to show fiscal restraint, not double-tax Iowa taxpayers. The Iowa budgets passed in 2007 and 2008 were not sustainable, and Lawmakers should not balance the budget by increasing the tax burden of hard-working Iowans.

It is not fair to pay tax on a tax. Iowans should NOT pay an income tax on money they have already been required to pay to the IRS – money taxpayers never even get to see or use. Iowa taxpayers should not be forced to pay more in taxes because the Legislature spent more taxpayer dollars than was received. Over the past two years, state spending has skyrocketed, and the economy is uncertain. Government taking more money from Iowans paychecks certainly will not help the economy.

Federal deductibility helps to reduce the state tax burden on lower-income and middle-income Iowans who have few other ways to lower their tax bill.

Iowans for Tax Relief will continue to fight for the right of every Iowan to deduct federal income taxes, as well as reduced state government spending and lower taxes for all Iowans.

Please continue to contact your Senator and Representative and tell them to protect federal deductibility.

Iowa Taxpayer Transparency Act of 2009

House File 74, the Iowa Taxpayer Transparency Act of 2009 has stalled in the House State Government Subcommittee.

House File 74 would create a single website database for taxpayers to search state expenditures and all tax rates across the state. Rep. Doug Struyk (R-Council Bluffs), one of the co-sponsors of the bill questioned House State Government Chair, Rep. Mary Mascher (D-Iowa City) on the status of the Taxpayer Transparency Act of 2009.

Rep. Mascher explained while House File 74 is in subcommittee, comments and suggestions should be directed to the Subcommittee Chair, Rep. Marcella Frevert (D-Emmetsburg). As you will recall from last week's edition of The Watchdog, House File 74 was assigned to the subcommittee of Rep. Marcella Frevert (D-Emmetsburg), Rep. Charles Isenhardt (D-Dubuque), and Rep. Dawn Pettengill (R-Mt.Auburn).

The Iowa Taxpayer Transparency Act of 2009 has also been filed in the Senate. The bill, Senate File 102, is identical to the House version and is sponsored by: Sen. Paul McKinley (R-Chariton), Sen. Shawn Hamerlinck (R-Davenport), Sen. Kim Reynolds (R-Osceola), Sen. Ron Wieck (R-Sioux City), Sen. Jerry Behn (R-Boone), Sen. David Hartsuch (R-Bettendorf), Sen. Tim Kapucian (R-Keystone), Sen. Randy Feenstra (R-Hull), Sen. Jim Hahn (R-Muscatine), Sen. Nancy Boettger (R-Harlan), Sen. Larry Noble (R-Ankeny), Sen. Merlin Bartz (R-Grafton), Sen. Pat Ward (R-West Des Moines), Sen. Hubert Houser (R-Carson), and Sen. Jim Seymour (R-Woodbine).

Iowans for Tax Relief enthusiastically SUPPORTS the Iowa Taxpayer Transparency Act of 2009. We believe all Iowans should be able to easily access the details on how we are taxed and how our money is spent.

We encourage you to contact your Legislator to urge them to move this bill forward. If you are unsure of who your Senator or Representative is, go to the Legislative Lookup on our Website at: <http://www.taxrelief.org/legislators>. You can call your Senator or Representative at the Capitol. Iowa Senate Switchboard: 515-281-3371. Iowa House Switchboard: 515-281-3221.