



The Watchdog

A Legislative Update from Iowans for Tax Relief



Friday, January 12, 2007

1st Week of Session

House and Senate Ways and Means Committees Welcome New Leaders: New Priorities Outlined

DEMOCRAT CONTROL OF HOUSE AND SENATE MEANS NEW CHAIRMEN FOR TAX WRITING COMMITTEES:

The House and Senate Ways and Means Committees held organizational meetings during this first week of Session with new Chairmen in both.

Representative Paul Shomshor (D-Council Bluffs) is the first Democrat to lead the House Ways and Means Committee since 1992 and began his tenure pledging cooperation with minority Republicans and praising the work of past Chairman, Representative Jamie Van Fossen (R-Davenport).

Rep. Shomshor is a Certified Public Accountant and is serving his third term in the Iowa House. For the last two years he served as Ranking Member of the Ways and Means Committee.

Senator Joe Bolkcom (D-Iowa City) is the first Democrat to serve as Chairman of the Senate Ways and Means Committee since 1996. For the last two years he served as Co-Chair of the Committee (control of the Senate was split 25-25 at the time).

A former member of the Johnson County Board of Supervisors, Senator Bolkcom outlined a four point agenda for the next two years that was topped by his desire to address the issue of growing commercial and industrial property taxes.

Here is his complete list of priorities for 2007 - 2008:

1. Address the continued shift of the property tax burden to commercial and industrial taxpayers.

2. Review the Iowa income tax with a goal towards making the system less complicated and more competitive (**these are code words for eliminating federal deductibility**).

3. Review past tax credits and address their relative effectiveness in actually boosting the activity for which they were originally granted. Senator Bolkcom views the provision of tax credits as no different than other outright expenditures of state government.

4. Focus on tax relief for middle income families with children (such as the earned income tax credit). It is Senator Bolkcom's belief this subgroup has not benefited from the tax cuts approved during the past decade.

Iowans for Tax Relief shares the concern in regards to commercial and industrial property taxes. However, we will **oppose any "remedy" that shifts the burden to residential property taxpayers** (meaning home owners).

Expect a major push to freeze the rollback mechanism for home owners--**an action that would lead to significant property tax increases for home owners over the next decade**. Watch for a more thorough discussion of the property tax consequences of such an action in the next edition of *Get the Fax*. Raising taxes on one group to provide relief for another group is no solution.



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WHO'S WHO ON THE COMMITTEES THAT SET YOUR TAXES AND SPEND YOUR TAX DOLLARS:

House Ways & Means Committee:

Rep. Paul Shomshor, Chairman
(D-Council Bluffs)
paul.shomshor@legis.state.ia.us

Rep. Tom Schueller, Vice Chair
(D-Maquoketa)
tom.schueller@legis.state.ia.us

Rep. Tom Sands, Ranking Member
(R-Columbus Junction)
tom.sands@legis.state.ia.us

House Appropriations Committee:

Rep. Jo Oldson, Chairwoman
(D-Des Moines)
jo.oldson@legis.state.ia.us

Rep. Mark Kuhn, Vice Chair
(D-Charles City)
mark.kuhn@legis.state.ia.us

Rep. Scott Raecker, Ranking Member
(R-Urbandale)
scott.raecker@legis.state.ia.us

Senate Ways & Means Committee:

Sen. Joe Bolkcom, Chairman
(D-Iowa City)
joe.bolkcom@legis.state.ia.us

Sen. Matt McCoy, Vice Chair
(D-Des Moines)
matt.mccoy@legis.state.ia.us

Sen. Larry McKibben, Ranking Member
(R-Marshalltown)
larry.mckibben@legis.state.ia.us

Senate Appropriations Committee:

Sen. Robert Dvorsky, Chairman
(D-Coralville)
robert.dvorsky@legis.state.ia.us

Sen. Matt McCoy, Vice Chair
(D-Des Moines)
matt.mccoy@legis.state.ia.us

Sen. Jeff Angelo, Ranking Member
(R-Creston)
jeff.angelo@legis.state.ia.us

FORMER STATE REPRESENTATIVE JAMES M. KURTEBACH ELECTED TO IOWANS FOR TAX RELIEF BOARD OF DIRECTORS:

The Board of Directors of Iowans for Tax Relief and Tax Education Foundation recently elected James M. Kurtenbach as a member of both Boards.

Kurtenbach served two terms in the Iowa House of Representatives where he served on the House Ways and Means Committee and drafted several bills to reform and reduce property taxes on all classes of property. He was a strong proponent of the People's Right to Vote Amendment and voted for it in 2004.

Jim is a tenured Associate Professor at Iowa State University in the College of Business. He is also a General Partner in Prairie Oak Capital, a venture capital firm.

The Watchdog is a weekly update of issues which are being considered by the Iowa Legislature. It is a service to members of Iowans for Tax Relief. Permission is granted to forward this to any interested individuals.

Comments or questions concerning **The Watchdog** should be directed to:
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