

# 2019 YEAR IN REVIEW



**IOWANS FOR TAX RELIEF**  
— VOICE OF THE TAXPAYER —



## IOWANS FOR TAX RELIEF

— VOICE OF THE TAXPAYER —

At our founding over 40 years ago, ITR recognized Iowa was full of special interests and there was a constant battle between the taxpayer and politicians who wanted to spend tax dollars.

Since then, we have believed for Iowans to have economic freedom, state government should be limited. The best way to achieve this is through people taking action and not more lawmaking. In other words, the answers reside on Main Street, and not within the state Capitol.

This year ITR drove policy conversations, expanded our network, and experienced legislative success. We sat down with other organizations and statewide leaders to identify problems Iowans faced and the policy solutions to solve those problems.

Governor Kim Reynolds spoke at our Tax Day Luncheon in March we sat with 19 legislators answering questions from members at six legislative roundtable meetings ITR hosted across Iowa.

The November 2020 election will be critical in determining Iowa's trajectory. ITR is building momentum to be effective no matter the outcome of those elections.

Chris Ingstad  
President



# VOICE OF IOWA TAXPAYERS FOR OVER 40 YEARS

*It's easier for politicians to yield to noisy special interest groups when the taxpayer keeps quietly paying the bills. - David Stanley, ITR Founder*

## Bureaucrats Constantly Want More and More of Your Money!

There is a constant battle between the taxpayer and bureaucrats who want to spend tax dollars. Iowa is a state full of special interests. Iowans need limited government and economic freedom and this is going to be achieved through people taking action and not more lawmaking. In other words, the answers come from Main Street, and not within the state Capitol.

ITR's big picture goal is advancing free market principles in our state. This is so important because the other side is relentless and they want to own our futures. With Illinois on our East Coast, we get a front row seat to see where our state could be headed.

## ITR Works for Iowa Families and Iowa Businesses

At a taxpayer roundtable last year an ITR member who owns and operates a dozen businesses across eastern Iowa with his daughter perfectly summed up why we do this. He said if the legislature could get tax relief passed, he and his daughter weren't going to pocket extra cash, they'd turn right around and reinvest it in their business, and that means more jobs and higher wages.

ITR gives the taxpayer solutions AND a voice, so they can remind legislators that they were elected to serve the people back home and not necessarily the groups at the Capitol asking for more of your tax dollars.

## How Can Iowans Make a Difference?

Elected officials respond to the people who elect them coming up to them in their home communities and telling them how they should be voting.

Out of all the lobbying groups, ITR is one of the few who takes it right to places such as Council Bluffs, Clear Lake, and Cedar Rapids. We aren't just in the Capitol, our members are in every district and when legislators go back home, we want them to hear from us.

It's hard to get citizens to take action but it is important bring government right to the voter instead of just being another lobbyist working the meeting rooms of the Capitol.

**Property taxes are making it hard to afford to stay in our house.**

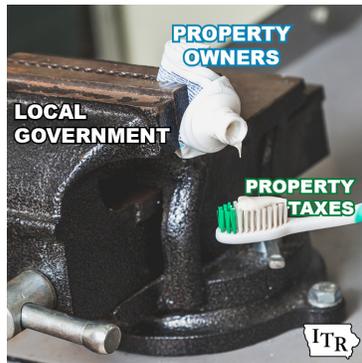


**TELL YOUR LEGISLATORS TO TAKE ACTION!**

**PROPERTY OWNERS**

**LOCAL GOVERNMENT**

**PROPERTY TAXES**



**ITR**

**When property taxes go up, so does our rent.**

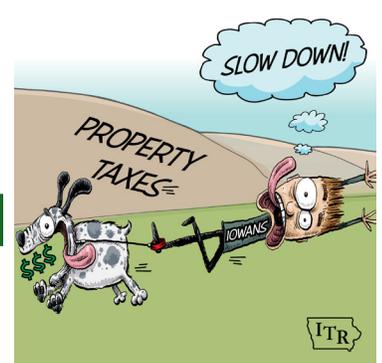


**TELL YOUR LEGISLATORS TO TAKE ACTION!**

**SLOW DOWN!**

**PROPERTY TAXES**

**IOWANS**

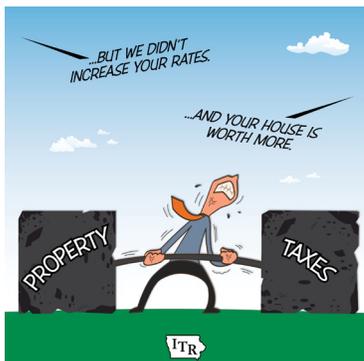


**ITR**

**...BUT WE DIDN'T INCREASE YOUR RATES**

**...AND YOUR HOUSE IS WORTH MORE**

**PROPERTY TAXES**

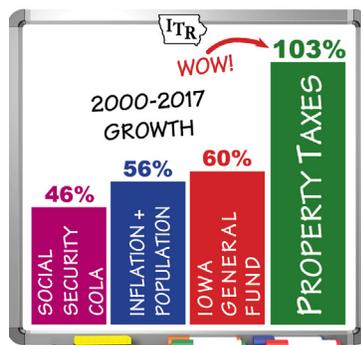


**ITR**

**Just because my property value goes up does not mean I suddenly have additional income.**



**TELL YOUR LEGISLATORS TO TAKE ACTION!**



**OUR ASSESSMENT INCREASED...**

**WILL OUR PROPERTY TAXES?**

**TELL YOUR LEGISLATORS TO TAKE ACTION!**



***“ITR has been fighting for Iowa taxpayers for over 40 years. I can’t tell you how important that is.***

***When ITR is at the Capitol, they are not working for just one business or industry. They represent ALL Iowa taxpayers.”***

*- Governor Kim Reynolds at Tax Day Luncheon in March, 2019*





# 2019 LOBBYIST DECLARATIONS AND LEGISLATIVE STATUS



<b>Property Tax Reform</b>	<b>For</b>	<b>Signed by Governor</b>
<b>Whistleblower protection</b>	<b>For</b>	<b>Signed by Governor</b>
<small>A bill increasing expensing allowance deduction by corporations, financial institutions, and partnerships and limited liability companies taxed as corporations, and including effective date and retroactive applicability provisions.</small>	<b>For</b>	<b>Signed by Governor</b>
<b>Capital gain deduction for the sale of real property used in a farming business.</b>	<b>For</b>	<b>Signed by Governor</b>
<b>Stopping Medicaid abuse</b>	<b>For</b>	<b>Passed Full Senate Chamber</b>
<b>Occupational licensing reform</b>	<b>For</b>	<b>Passed Full House Chamber</b>
<b>Constitutional Super-majority tax increase amendment</b>	<b>For</b>	<b>Passed Committee - Senate Ways and Means</b>
<b>Inheritance tax repeal.</b>	<b>For</b>	<b>Passed Committee - Senate Ways and Means</b>
<b>A bill for an act prohibiting the appropriation and expenditure of funds for lobbying activities by governmental entities, and providing a penalty.</b>	<b>For</b>	<b>Passed Committee - Senate State Gov't</b>
<b>Taxpayer-funded lobbyists</b>	<b>For</b>	<b>Passed Committee - Senate State Gov't</b>
<b>A bill for an act relating to assessors and the state appraisal manual of the department of revenue, and including penalties.</b>	<b>For</b>	<b>Passed Committee - Senate Local Gov't</b>
<b>Constitutional spending limitation amendment</b>	<b>For</b>	<b>Passed Committee - Senate Appropriations</b>
<b>Donor privacy protection</b>	<b>For</b>	<b>Passed Committee - House Judiciary</b>
<b>Establish an interim study committee relating to the impact of state assistance program income restriction guidelines.</b>	<b>For</b>	<b>Passed Committee - House Human Resources</b>
<b>A bill relating to state boards and commissions</b>	<b>For</b>	<b>Passed Committee - House &amp; Senate State Gov't</b>
<b>Establish online school budget databases</b>	<b>For</b>	<b>Passed House Subcommittee</b>
<b>Zero-base budgeting once per decade for executive branch</b>	<b>For</b>	<b>Passed House Subcommittee</b>
<b>Requiring administrative services maintain a list of vacant state buildings.</b>	<b>For</b>	<b>Passed House Subcommittee</b>
<b>Federal funding inventory</b>	<b>For</b>	<b>Introduced in House</b>
<small>Revising calculation requirements for the general fund expenditure limitation, creating a safety net fund, making transfers, and providing for related state personal income tax rate reductions, and including effective date and applicability provisions.</small>	<b>For</b>	<b>Introduced by Senate</b>
<b>Beer tax increase.</b>	<b>Against</b>	<b>Introduced in House</b>
<b>Nicotine, tobacco, and vapor product tax.</b>	<b>Against</b>	<b>Introduced in House</b>



# WHERE ITR STOOD AND WHAT WAS DELIVERED



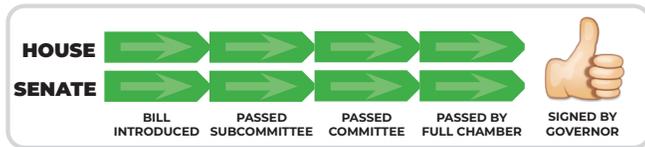
ITR highlighted many problems facing Iowans on our website, in email updates, and on social media. Each explanation included a legislative solution to help Iowans impacted.

The 2019 legislative session was the first session of a two-year General Assembly. This means legislators will be able to pick up where they left off when they come back to Des Moines next January and that many of these issues are simply on hold until next year.



*ITR President Chris Ingstad, Iowa Taxpayers Association President Tom Sands, Senate Majority Leader Jack Whitver, Lt. Governor Adam Gregg, and Rep. Dustin Hite with Governor Kim Reynolds at the property tax reform bill signing.*

## Property Tax Reform



### The Problem:

“Just because my house is worth more doesn’t mean I have more dollars in my pocket to pay taxes.” This statement from one of our members highlights Iowa’s property tax problem.

### What ITR said:

- Establish a reasonable limit, that can be exceeded with the appropriate steps, on how much a city’s or county’s property tax revenue can increase each year.
- Allow citizens to easily understand how local government budgets will impact their property tax bill.
- Require local governments to cast an affirmative vote on property tax increases.

### What ITR did:

- Partnered with Americans for Tax Reform, National Taxpayers Union, and American Legislative Exchange Council to encourage legislators to pass property tax reform.
- Had a property tax expert from the Tax Foundation to join us at the Capitol to speak with House and Senate leadership
- Asked two ITR members to attend and speak during a subcommittee meeting at the Capitol.

### What Happened:

- **Success!** This bill accomplishes that goal. Transparency, citizen input, and local government accountability were all increased when Governor Kim Reynolds signed this bill.

### Work Left to Do:

- Because this bill focuses on transparency more than hard limits, citizens must engage in the process to control property taxes.
- ITR will keep Iowans informed when cities, counties, and school districts begin local budget discussions.
- It is up to constituents to make local elected officials reconsider sitting back and reaping the windfall of increased assessments.



# IOWANS FOR TAX RELIEF

VOICE OF THE TAXPAYER



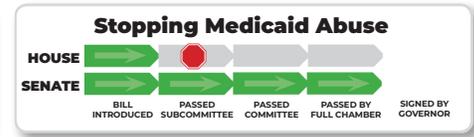
**The Problem:**  
Fear from the repercussions of reporting wrongful expenditures of public dollars can lead to silence, which may result in the ongoing misuse of tax dollars.

- ITR Solution:**
- Extend Iowa's current whistleblower protections to public sector employees who report suspected wrongdoing.
  - Mandate training for new public employees on the procedure for reporting.



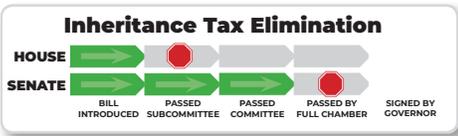
**The Problem:**  
Iowa ranks as the 12th most broadly and onerously licensed state, making it one of the worst states for occupational licensing for lower-income workers.

- ITR Solution:**  
Reevaluate and reduce the bureaucratic red tape tax that is job licensing.



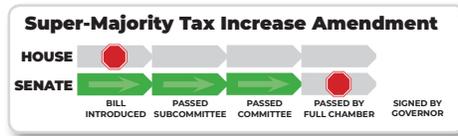
**The Problem:**  
Other states that have implemented Medicaid recipient audits found considerable fraud. Louisiana, for example, randomly checked 100 Medicaid recipients and discovered that 82 of them no longer qualified for benefits. Iowa does not know how many ineligible recipients are receiving Medicaid benefits.

- ITR Solution:**
- Regularly review recipient eligibility.
  - Remove individuals from the rolls who abuse the system.



**The Problem:**  
If a person does not have children or chooses to leave their assets to a non-linear relation, this can create a scenario where the beneficiary does not have the liquid assets to pay the inheritance tax, potentially resulting in the sale of a small business or family farm. This is not the outcome tax policy should strive to achieve.

- ITR Solution:**  
Completely eliminate Iowa's inheritance tax.



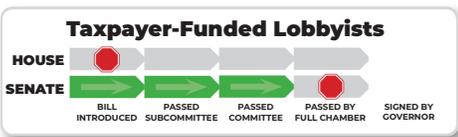
**The Problem:**  
The threshold for raising taxes on hardworking Iowans is too low.

- ITR Solution:**  
Requiring a two-thirds majority vote by the Legislature to raise income taxes is a commonsense protection that puts taxpayers before the noisy special interests asking for a bigger piece of their paychecks.



**The Problem:**  
Because Iowa's 99% spending limit only exists as a statute, a future legislature could simply pass a new statute that further weakens this limit or removes it altogether.

- ITR Solution:**  
A constitutional amendment limiting spending would be the strongest way to control the growth of government and future appropriations.



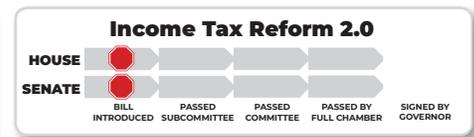
**The Problem:**  
If taxpayer money is being used for lobbying activities, the taxpayers deserve to know exactly how that money is being used.

- ITR Solution:**  
Subject lobbyists employed via contract by local governments to the same open records laws as the local governments themselves for the purpose of executing the contract.



**The Problem:**  
If federal funds are reduced or eliminated, state and local taxpayers are left with the bill. These funds also come with strings attached, often requiring additional state funding to support federal initiatives.

- ITR Solution:**
- Itemize all federal funds.
  - Measure the dollars and obligations.
  - Identify the end date.
  - Develop a contingency plan.



**The Problem:**  
2018's state income tax reform was a good start. However, Iowa's tax rates remain among the highest in the nation.

- ITR Solution:**
- All planned future tax cuts should be implemented sooner.
  - Legislators should create a path of continued rate reductions for individual and corporate income taxes.



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Cedar Rapids Roundtable



Libertarian Party  
Convention Booth

Taxpayers  
Association of  
Central Iowa  
Annual Meeting

Pella Roundtable



Harrison  
County Central  
Committee

NICHE  
Conference  
Booth



## Educating

Iowa Gun  
Show Booth

Mason City  
Conservative  
Coffee

Truth  
Business  
Network

Algona  
Conservative  
Luncheon



Tax Day Luncheon  
Des Moines





# HELPING VOICES BE HEARD



Clear Lake Roundtable



Iowa State  
University  
College  
Republicans

Iowa Commercial  
Real Estate Association



University of  
Northern Iowa  
College Republicans

Council Bluffs Roundtable



Central College  
Political Science Class  
Guest Speaker

## Engaging

## Advocating

TeenPact

University of Iowa  
College Republicans  
and  
Turning Point USA

Family Leader  
Summit Booth



Muscatine  
Roundtable



Sioux City  
Roundtable



# DRIVING THE CONVERSATION



ITR President Chris Ingstad appeared on multiple radio and TV stations during the legislative session.



SURVEYS

**FACEBOOK**

*LEGISLATIVE ROUNDTABLE MEETINGS*

# TAXRELIEF.ORG

*FRONT PORCH VISITS*

LEGISLATIVE  
PHONE CALLS

INSTAGRAM

PETITIONS

TWITTER

# WATCHDOG EMAIL NEWSLETTER



# UTILIZING OUR NETWORK



**Many national and state-level organizations helped deliver property tax reform and recognized what ITR accomplished.**



In February, National Taxpayers Union (NTU) and ITR co-wrote a letter to Iowa's legislative leaders encouraging them to act on property tax reform.

Following the bill signing NTU said, "While public officials deserve credit for moving this legislation into law, the momentum never would have begun -- or been sustained -- without the efforts of state powerhouse organization Iowans for Tax Relief (ITR), a longtime ally of NTU."

The letter concluded by saying, "Done correctly, these reforms can rein in local government spending and force them to make the tough choices for funding priorities."



Americans for Tax Reform (ATR) President Grover Norquist and ITR President Chris Ingstad co-authored an op-ed published in the *Des Moines Register* regarding property taxes.

After property tax reform was passed, ATR wrote, "When the first public hearing of property tax reform was held in March, Iowans for Tax Relief advocated that an open conversation between local government and their constituents is needed."

Additionally, the organizations began co-hosting monthly breakfast meetings in Des Moines for pro-taxpayer groups.



