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**Column for Week of:
November 26, 2007**

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Bringing Fiscal Discipline to Missouri's Tax Credit Programs

JEFFERSON CITY — I'd like to take a survey of those who read this column. How many of you receive targeted state tax credits? Well, if you're not a Colorado railroad owner wanting to get the state to help finance a venture to haul people around on luxurious day trips or a wealthy real estate developer wanting to have the taxpayers prop up your private development to the tune of \$100 million or a member of any number of other special interest groups, you probably had to answer "no."

Now the next question is: how many of you are paying for these credits? The answer to that question is: everybody! My point is that our state has a ton of tax credits that most Missourians will never be able to cash in on, despite the fact they are financed with your tax dollars. While there are plenty of incentives that encourage economic growth, there are few accountability measures that make sure the taxpayers are getting their money's worth. I want to change that.

Every year, the halls of the legislature are filled with lobbyists vying for a piece of Missouri's revenue pie for their particular clients. And every year, the legislature hands out millions of your tax dollars to these special interests to fund what they promise will produce huge returns into the coffers of the state. Unfortunately, not all these incentives are the economic boon they claim to be. This legislative session, I am introducing a bill that will do a better job tracking the success of those tax credits.

This bill would require that each tax credit would come up for review by the legislature every few years. The Joint Committee on Tax Credits would review the credits and make recommendations to the legislature. Then, the legislature must vote to renew each credit. If they don't, the credit goes away. Too many credits seem to be there just to prop up whatever business has lobbied for them, and well-heeled lobbyists have made a cottage industry out of making sure that these special tax breaks are protected. It's time that each tax credit is held up to public scrutiny to see if it has performed up to expectations or if it has simply become one more government giveaway.

Last legislative session, I warned my fellow lawmakers about being drunk on tax credits. It's time the legislature sobered up and put some accountability measures in place.

If you have comments or questions about this week's column or any other matter involving state government, please do not hesitate to contact me. You can reach my office by e-mail at matt_bartle@senate.mo.gov or by phone at (888) 711-9278. My web address is

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