



# MISSOURI SENATE

JEFFERSON CITY

Victor Callahan  
11<sup>th</sup> Senate District

CAPITOL BUILDING, ROOM 334  
JEFFERSON CITY, MO 65101

**For Immediate Release:  
May 01, 2008**

**Contact: Jordan Yount  
(573) 751-4128**

## **Senate Republicans Reject Tax Relief for Middle Class Missourians**

JEFFERSON CITY— Majority Republicans in the Missouri Senate today rejected an amendment offered by Sen. Victor Callahan, D-Independence, which would have provided a sunset to all tax credits currently offered by the state. Sen. Callahan's amendment also would have diverted a proposed \$240-million in state tax credits for a Canadian aircraft assembly company to instead provide tax relief for middle class Missourians. The amendment was offered during today's debate on House Bill 2393, which provides \$240-million in state tax credits over eight years to Bombardier Aerospace to build an aircraft assembly facility at Kansas City International Airport.

"When the Bombardier project was at \$880-million, we were willing to take one billion dollars from this side of the ledger and move it to the other side of the ledger," Sen. Callahan said. "We're taking it away from education, we're taking it away from healthcare, we're taking it away from highways – everything the taxpayers expect us to fund, and we're creating a billion dollar entitlement for big business."

Sen. Callahan told his colleagues that a sunset would not kill the tax credits; rather, it would give the General Assembly the opportunity to review the myriad tax credits offered by the state and to eliminate any which are not working as planned. He also pointed out that the leadership of both the House and Senate supported a measure last year to sunset all state tax credits.

"This legislature does not have the ability to gain any control over the billion dollars in tax credits it provides, and we need to change this and start looking at Bombardier and all other tax credits," Sen. Callahan said. "Some of these may be worthwhile, but right now we have no way to determine whether the state is getting a good return on its investment."

Sen. Callahan said his amendment to HB 2393 would take the \$240-million in proposed tax credits for Bombardier and use that money to provide tax relief to middle class taxpayers.

“The other party ran on less government and lower taxes – they were not elected to pick winners and losers in the business community,” Sen. Callahan said today during floor debate. “This is the people’s money – it is not our money to do with as we please. We should be talking about a middle class tax reduction in this economy. As John Kennedy said, a tax cut is the best way to stimulate the economy.”

Sen. Callahan’s amendment was defeated on a voice vote. The underlying bill, Senate Substitute for HB 2393, received final approval in the Senate today and will be sent to the House for consideration.

# # #