

*Nothing is politically right
that is morally wrong.*



*Free and fair discussion
is the firmest friend of truth.*

MISSOURI SENATE JEFFERSON CITY

FOR IMMEDIATE RELEASE

February 18, 2009

Bill Would Create Jobs with Lower Taxes ***Senate Leader Introduces Plan to End Corporate Income Tax***

JEFFERSON CITY – Offering a better solution to help reverse Missouri's job losses, Senate Leader Charlie Shields, R-St. Joseph, today introduced legislation that would phase out the corporate income tax in Missouri.

Shields said the long-term plan is a better solution to making Missouri a place where all companies, regardless of their size, will want to invest and create jobs.

"The best way we can create and stabilize jobs for the people of Missouri is by government getting out of the way and lowering the tax burden," Shields said. "By building on our tradition of being a low tax state, we can help small businesses and companies already in Missouri as well as become even more attractive to companies looking to relocate here."

The measure, Senate Bill 392, would begin January 1, 2011, and phase out 20% of corporate income taxes each year over five years, ultimately ending the tax by 2016.

Shields said he proposed the tax phase-out because the burden to pay it is usually shifted to others.

"Right now, no corporation pays this tax in the sense that they shift this tax burden onto their employees, their customers and their investors," he said.

Shields noted that all companies benefit by lowering the tax burden. Missouri's tax incentives for businesses usually target larger companies. But, with more than 95 percent of Missouri's private companies employing fewer than 50 people, Shields' measure is all the more impactful.

"It is a real option that keeps the government from picking winners and losers," Shields said. "Ending this tax frees up every business in Missouri, from a small mom-and-pop business to a major corporation, to reinvest the money they would have otherwise spent paying this tax on hiring new employees and growing their business."

A summary as well as full text of the bill can be found by visiting www.senate.mo.gov and doing a keyword search for SB392. It will next be referred to a Senate committee for consideration.

###

