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Minnesota Chamber: Now's the time to rightsize Minnesota's taxes

Minnesota Chamber President Doug Loon today called on Governor Dayton and the Legislature to use the state's projected surplus to deliver tax reform and relief for Minnesotans.

The state's general fund has a projected surplus of \$329 million for the two-year budget that ends June 30, 2019. This is the fifth year in a row Minnesota has a significant budget surplus projected.

"The state budget surplus presents a need and an opportunity to rightsize our state's tax system," Loon said. "Returning these dollars to the private sector will help grow the economy in the long term and benefit all Minnesotans."

Minnesota has the third highest income tax rate in the nation for both individuals and businesses, he noted. Minnesota ranks among the top five states in too many tax categories and, as a result, imposes headwinds to economic growth by undermining investment, entrepreneurship, and talent recruitment and retention.

Lawmakers should be strategic in requests for more spending, he said. State spending for the current biennium is up \$4.7 billion, or 11.4% from the previous two years.

"Let's take this opportunity to fix our state's tax system," Loon said. "Not only will it benefit Minnesota's economy, but it should benefit all Minnesota taxpayers who contributed to this surplus."