

Under the Golden Dome, too

The end of the 2009 legislative session may be in sight. The budgets are starting to filter out of subcommittees following the Revenue Estimating Conference report last week. But the taxpayer should not let down their guard...this week the House Democrats released a plan to eliminate federal deductibility. The plan calls for an end to Iowans' largest tax deduction beginning in 2010 when the federal tax cuts expire. This proposal will result in a \$100 jump in middle class Iowans' state tax bills. Democrats claim that eliminating federal deductibility will allow Iowans to keep more of their paychecks. According to their own math, however, it will result in only an extra 17 cents a day for the average Iowan, an amount that is insignificant.

As a fiscal conservative, I believe that keeping taxes low for Iowa's businesses and families is important to remaining viable during these tough economic times. Eliminating federal deductibility is the equivalent of double taxation. I will work to find ways for our state government to return money to the taxpayers, not take more of their paychecks.

The Revenue Estimating Conference met last Friday to review the general fund revenue estimates for 2009 and 2010 (Fiscal Year 2010 begins on July 1, 2009). The numbers presented were not pretty. The REC decreased 2009 by \$130 million and decreased 2010 by \$270 million. These numbers put the State of Iowa at a \$1.1 billion shortfall over the next 15 months. Governor Culver has released details of how he wants to bridge this gap- including a \$700 million bonding plan. Bonding by the state government would be similar to an Iowa family running up credit card debt. This approach is not a fiscally sound budgeting practice. As we work through the budget in the next few weeks, I will continue to advocate against increased burdens on Iowa families and businesses. Don't forget that the FY 2010 budget is, so far, the third largest budget in the history of the state. For more budget details go to my website at iowahouserepublicans.com/members/linda-upmeyer.

In addition, I will fight to ensure the Legislature does not hinder business opportunities for current and future residents. There are over 80,000 Iowans out of work, and we need to focus like a laser on job creation.

A bill I co-sponsored, the Iowa Transparency Act, passed out of the House this week. This bill will move the state of Iowa towards increased transparency in government spending. The bill will now go to the Senate where amendments are expected to be added. Then the House will get another opportunity to provide their input. If this bill is passed by both chambers and signed by the Governor, the bill would require the Department of Administrative Services to create a searchable budget database by January 1, 2011. This bill will be a step forward in creating a more transparent and accountable state government.

Thanks to all of you who went to my website and took the survey. I will respond to the comments when things settle down a bit. It was great to see some of our county elected officials at the Capitol for County Day. The REC directors were also in town for their legislative visit, and we had a great visit. Have a wonderful week, and may God bless us all as we prepare for Holy Week. Continue to contact me at 515-281-3221 or linda.upmeyer@legis.state.ia.us

