



## **Florida House of Representatives**

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### **REPUBLICANS TURN BACK DEMOCRAT'S JOB-KILLING TAX HIKE**

**TALLAHASSEE** – Today, House Republicans on the Government Efficiency & Accountability Council voted unanimously to oppose House Bill (HB) 1237, a risky 365 million dollar tax hike on Florida businesses that threatened to prolong Florida's economic recovery by weakening Florida's pro-business environment and scaring off current and prospective Florida employers.

“Raising taxes on the people who pay the salaries of Floridians, and provide the goods and services Floridians buy each day, is a sure way to plunge our economy into even greater turmoil,” said Majority Leader Adam Hasner (R-Delray Beach). “Republicans have a plan to speed us toward economic recovery by cutting taxes, reducing unnecessary government spending, and balancing the state's budget based on proven financial principles. The Democrats, on the other hand, want to exploit Florida's economic challenges as an opportunity to push for high-tax policies that will slow down our economic recovery.”

HB 1237, proposed by Democratic Leader Dan Gelber (D-Miami Beach), would have increased taxes on Florida corporations by almost 400 million dollars through implementation of so-called “combined reporting.” The law, a favorite among liberal interest groups, is modeled after corporate tax hikes passed or proposed in high-tax states such as Iowa, Ohio, and California, all of which rank high on the Tax Foundation's list of Top Ten Worst Business Climates in America.

“If we raise taxes on businesses, the businesses that employ Floridians will leave the state. The ones that don't leave will simply raise the prices of their goods or slash the wages of their employees in order to cover the higher cost of doing business. Either way, Floridians will suffer as a result of the Democrats' tax-raising schemes,” added Representative Frank Attkisson (R-St. Cloud), a small businessman who chairs the House Council on Jobs and Entrepreneurship. “Every time there is a slowdown in the economy, Democrats start looking for ways to raise taxes and raise revenues for government. You can practically set your watch by it.”

(more)

Page 2

Republicans Turn Back Democrat-Backed Tax Hike

March 20, 2008

“It seems the Democratic Leadership in the House has not yet realized that those who do not learn from history are doomed to repeat it,” added Representative Attkisson.

In 1983, Democratic Gov. Bob Graham signed the unitary tax on corporations, much like the tax increase proposed today. Immediately after the law’s passage, several corporations left the state and other corporations that had planned on moving to Florida cancelled their plans and relocated to other states. Florida TaxWatch estimates that Florida lost 10,000 jobs to North Carolina and other states because of this change in tax policy. During a special session of the legislature the following year, the law was repealed.

Combined reporting is a favorite policy among liberal special interest groups such as The Center on Budget Policy and Priorities (CBPP), the Progressive States Network, and the Center for Tax Fairness, all of which have been identified by objective news outlets as “liberal” action groups which are funded by leftwing special interest groups more interested in achieving political victories than they are in making good policy deliberations.

Specifically, the Progressive States Network published a list of “Dos and Dont's of Coping With State Budget Crises” which advocates tax increases, pushes for income taxes, criticizes property tax cuts and lists “Combined Reporting” as one of its strategies for protecting and expanding government revenue collection.

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