

MINNESOTA GOVERNOR PUSHES FOR JOBS RECOVERY ACT: TAX CUTS, SALARY FREEZES



Minnesota's Republican Governor Tim Pawlenty is calling for a business tax cut, and a slew of tax credits and exemptions, to spur job growth. Being a Republican, if he didn't shill for tax cuts, Baron Harkonnen would pull out his heart plug. Pawlenty's Minnesota Jobs Recovery Act would nearly halve the state's business tax rate to 4.8% from 9.8% over six years, and includes investment and reinvestment tax credits, capital gains exemptions and the elimination of the sales tax on the purchase of capital equipment. While slashing business taxes would supposedly spur job creation, the governor's plan does not directly create new jobs, nor require employers to hire workers in exchange for free taxpayer money. Minnesota's unemployment rate zoomed up to 6.4% in November. The state also faces a \$4.84 billion budget deficit for 2010-2011. Pawlenty took steps last month to cut spending and empty the state's \$155 million reserve fund, to tackle a \$426 million deficit in the current budget. The governor also called for a two-year wage freeze for state employees.

<https://blog.granted.com/>