

Florida House Panel Rejects Combined Reporting

by Joe Follick

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"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," said House Majority Leader Adam Hasner (R). "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."

Similarly, Democrats used the doomed effort to highlight the GOP's intransigence on collecting taxes from corporations even as the state faces a multibillion-dollar budget shortfall in the worst economic downturn in decades.

House Minority Leader Dan Gelber (D) said the bill would have raised up to \$365 million a year by collecting income that corporations shift to subsidiaries in other states.

Gelber was quoted in *The New York Times* regional newspapers as saying, "If you don't look at truly unfair tax avoidance and tax loopholes you will never do the citizens of this state justice and you need to start thinking about it. You're going to have to get serious about tax fairness in Florida."

Gelber said 21 other states have adopted combined reporting with no blip in economic development efforts. The state has a 5.5 percent corporate income tax.

The money would have aided the state's universities. T.K. Wetherell, former House speaker and current Florida State University president, told the committee, according to *The Times* regional newspapers, that the bill would "collect revenue that belongs in the state." He said, "I don't believe it's an issue where somebody can say you're a tax-and-spend liberal. It's tax fairness."

Joe Follick, Tallahassee

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Author: Follick, Joe

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