



Dear Members,

With one week to go in the session, let's take a step back and reflect on the magnitude of the policies yet to be decided at the Capitol. Each week for the last few months, we've summarized hundreds of bills in At the Capitol – each with its own purpose, price tag and impact on your lives.



A clear trend has emerged: The overreach of tax increases and workplace mandates proposed by Governor Walz and House leadership jeopardizes the very affordability for which Minnesotans yearn.

Minnesota should be affordable for families to buy a home and to raise their children. Minnesota should provide opportunity to grow a business, employ workers and pay good wages. Business success and family livelihoods are inextricably tied. Quality, good-paying jobs contribute to the quality of life that we all enjoy in Minnesota.

The governor and House leadership repeatedly say they are looking out for the best interests of Minnesotans by raising taxes on businesses and the wealthy. Yet, together they are proposing **\$12 billion** in increased taxes and fees on all Minnesotans. While the purpose and impact of each proposal may be debated separately, it's impossible to ignore the cumulative impact on our pocketbooks and the resulting risk on the state's long-term economic outlook. By the state's own study, business costs eventually get passed onto employees and customers.

Consider the expense and expanse of the proposed taxes and mandates:

- **\$2.7 billion** increases on employers, including **\$755 million** increase in taxes for businesses that pay income through personal income-tax returns, **\$1.5 billion** increase in corporate taxes and **\$231 million** for property tax on both renters and owners.
- **\$4 billion** for higher gas tax, vehicle registration, tab fees.
- **\$2 billion** new payroll tax for a mandated paid-leave program on all employers and employees.
- **\$1.6 billion** in taxes for the health care provider tax paid by individuals for each doctor and hospital visit.

A recent statewide survey showed startling opposition to business and gas tax increases, and to a new payroll tax to finance a state-run leave program. Voters oppose these measures by a 2-to-1 margin statewide. Greater Minnesota is heaviest in its opposition by margins of nearly 3-to-1.

Those who propose these massive increases in costs and programs argue that raising taxes is necessary to fund government services in the face of future deficits. But Minnesotans have plenty of experience with expenses outpacing income in both our household and business budgets. In such times, we must control expenses and be strategic and responsible in spending.

Minnesota has a \$1 billion budget surplus and record cash reserves. Now is not the time to increase costs on job-creators, creating additional headwinds to investing in Minnesota. Instead, let's make Minnesota affordable for businesses and families alike.

If you agree, I invite you to share your story with legislators.

They need to hear from real people like you about what expensive, expansive tax-and-spend policies do to your business and household budgets.

Thank you for all that you do to provide opportunity for Minnesota's economy and quality of life. Job-creators like you help us all grow Minnesota together, so we can reach our economic potential and keep our state affordable.

Doug Loon  
Minnesota Chamber of Commerce president

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## STATEWIDE POLICY TOUR

Please join us at a location near you as we wrap up the 2019 legislative session. Learn how your priorities fared – how the actions and inactions at the Capitol affect your ability to succeed and grow jobs in Minnesota. Then dig deeper into specific issues, and help us set our agenda for the 2020 Legislature.

**June 20, BTD Lakeville**

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