

Legislative Update – April 22, 2010
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TAX CREDIT REFORM DISCUSSION CONTINUES IN JEFFERSON CITY

Governor Nixon held a press conference this week to encourage the legislature to pass meaningful tax credit reform legislation by May 14th, the last day of the 2010 session. Joined by several education professionals, the Governor criticized Missouri's "entitlement" structure for tax credits. He noted that in 2009 Missouri spent more money than any other state on historic preservation tax credits and was second in expenditures for low-income housing credits. Calling on the legislature to better evaluate the return on state investment and spend wisely in this tough budget climate, the Governor suggested some funds currently spent on these programs would be better spent on education.

In response to Governor Nixon's press conference, members of House Republican leadership held their own press conference on the issue of tax credit reform. Speaker Ron Richard, Speaker Pro Tem Bryan Pratt, and Floor Leader Steve Tilley all characterized the Governor as a hypocrite for championing tax credit expansions in 2009 and now reductions in 2010. The Republican leaders agreed with the Governor that Missouri's educational system needs adequate funding, but that it should not come at the expense of the creation of new jobs, upon which, they contend, many graduates will depend.

Speaker Richard stated unequivocally that neither the tax credit reform package proposed by Governor Nixon nor the Senate will move beyond his desk, should they reach the House.