

Adam Neylon: Wisconsin Jobs & Economy Chairman Neylon on tax cuts

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Since 2013, I have had the honor of voting for legislation to cut taxes by millions for hardworking Wisconsin residents and businesses. These tax cuts are a major reason why Wisconsin has a 2.9 percent unemployment rate and our labor force is at an all-time of more than 3.1 million.

As Chairman of the Assembly Committee on Jobs and the Economy, I take great pride in the strides we have made the last few years to completely eliminate some taxes and lower others. Another important bit of information to keep in mind as you read this editorial is that in spite of these tax cuts, every year Wisconsin's tax collections have increased. I repeat, the more taxes are cut the more Wisconsin collects in tax revenue.

At the national level, Democrats are doubling down on their promise to repeal the most recent tax cuts signed into law late last year by Republicans. House Minority Leader Nancy Pelosi has even promised to "replace and repeal" them.

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Republicans, meanwhile, are doing their best to ensure those tax cuts are made permanent. Let's check the numbers to see what's at stake.

First, let's note that tax cuts have ushered in a historic wave of stable economic growth and expanding prosperity. I'm a small business owner. I know that in states like ours across the country, small firms account for about two-thirds of new jobs.

This year's tax cuts delivered a huge 20 percent deduction for job-creating small firms.

Early evidence suggests the tax cuts are a runaway success. About two-thirds of small business owners report they're in good financial health and anticipate increased revenues next year too. A third of businesses intend to grow operations, while a quarter are going to increase hiring and increase wages. Not since 1989 have we seen figures so high.

These tax cuts are turbocharging small businesses. The impact of booming small business is felt on Main Streets across America in the form of healthier markets, more take-home pay and better opportunities to get ahead.

In the first few months of this year alone, over 4 million employees gained better pay or benefits thanks to the tax cuts. Nonpartisan experts forecast above-average growth this year and next— as high as 4 percent annually.

Then we have to factor in personal taxes, which take the effect of small business relief and multiply it. Lower personal income taxes are coming to 90% of middle-class Americans— to the tune of more than \$2,000 on average.

If repealed, small businesses would have to kiss that 20% deduction goodbye. Democrats would have us revert back to the old tax code where the top marginal rate was 40%— even before state and local taxes were tallied, not to mention the high costs of compliance and outside tax prep help.

To put it plainly, doing what the Democrats propose which is increasing taxes is a slap in the face of all the entrepreneurial small firms— many of them family firms with multiple employees — bolstering our economy. Eliminating these tax cuts would reduce job creation, shrink wages, diminish benefits and narrow opportunity. It's also a recipe for economic stagnation.

Obviously, stalling our economy is not in our best interest, and I think most voters know better. You would think members of the minority party could support common sense economics. Instead, Democrats continue to dump misleading and cynical messaging on taxes over the political airwaves.

Democrats believes fundamentally that the money you earn belongs to the government, which simply lets you keep some of it.

At least now, the choice between which party believes you know how to spend your own money better than the government is clearer than ever.

— *Neylon, R-Pewaukee, represents the 98th Assembly District.*