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LT. GOVERNOR VISITS AKRON-CANTON, DISCUSSES TAX REFORM

AKRON – In support of Governor Bob Taft’s tax reform plan, Lieutenant Governor Bruce Johnson visited the Akron-Canton Region, touring Group Midwest and providing keynote remarks at the National Inventors Hall of Fame for the annual meeting of the “Fund For Our Economic Future.”

“Ohio has an antiquated tax system that hurts businesses already here and hinders our ability to attract new business to Ohio,” said Johnson, who also serves as state development director. “Our tax reform plan helps families by cutting the personal income tax and improves our business climate by eliminating taxes that penalize companies operating in Ohio.”

In his luncheon speech, Johnson laid out details of the plan unveiled in Governor Taft’s State of the State address. He listed three critical elements of the proposed tax reform:

1. Cutting the personal income tax by 21 percent across-the-board. Ohioans that make less than \$10,000 a year will pay no state income tax at all.
2. Eliminating the tax on machinery, equipment and inventories, encouraging businesses to expand and make capital investments.
3. Eliminating Ohio’s unfair corporate franchise tax and replacing it with a commercial activity tax that has a very low rate and a very broad base to reflect all of Ohio’s economic activity.

According to Johnson, Ohio is transitioning from the primarily industry-based economy of the 20th century to a more diverse, knowledge-based economy, and in order to maintain a competitive business climate, the tax code must also change. “Our economy has shifted from a single-source economy to a diversified, multi-source economy and our tax system needs to mirror these changes,” said Johnson.

In North Canton, Johnson visited Group Midwest, the parent company of Midwest Communication Products, Inc., Midwest Digital, Inc., Global Re-Logistics and Midwest Tele-Data. These companies operate in North and South America, Europe, the Middle East and the Pacific Rim, and cover all avenues of telecommunications and information technology products and services. During his visit, he gave details of the tax plan to management and employees of Group Midwest.

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