

NEWS RELEASE



Lt. Governor Bruce Johnson

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**LT. GOVERNOR DISCUSSES INITIATIVES DESIGNED TO
STRENGTHEN OHIO'S ECONOMIC DEVELOPMENT EFFORTS**

CINCINNATI - Lieutenant Governor Bruce Johnson addressed members of the Ohio Association of Commodores and southwestern Ohio business and community leaders this morning, focusing on statewide efforts to strengthen Ohio's economic development endeavors.

"In today's increasingly global marketplace, companies can choose to locate anywhere in the world," said Johnson, who also serves as state development director. "By overhauling Ohio's tax code, improving upon our strengths in infrastructure and by promoting Ohio as a premier business location, we will improve Ohio's business climate and ensure that there are good jobs for Ohioans in the years to come."

During his remarks, Lt. Governor Johnson discussed the need for tax reform in Ohio, the State's efforts in developing a non-profit marketing entity (the Ohio Business Development Coalition) and the proposed economic development bond initiative – all of which are centered on making Ohio more attractive to business.

Governor Taft's tax reform plan would cut personal income tax rates by 21 percent over five years; eliminate state income tax for Ohioans making less than \$10,000 a year; and phase out the tax on equipment and inventory and the corporate franchise tax, replacing them with a broad-based, low-rate commercial activity tax. The plan also calls for spending \$390 million to hold schools and local governments harmless from loss. Overall, the plan would collect \$800 million less over the next two years than the state would receive if today's tax rates remain in place.

The Economic Development Bond Initiative was recently unveiled by Governor Bob Taft and is expected to have a far-reaching, positive impact on Ohio cities, rural communities and many industry sectors. The \$2 billion initiative packages three important measures to stimulate economic growth in Ohio, including funding for research and development (\$500 million), the creation of job ready sites (\$150 million), and infrastructure improvements (\$1.35 billion).

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