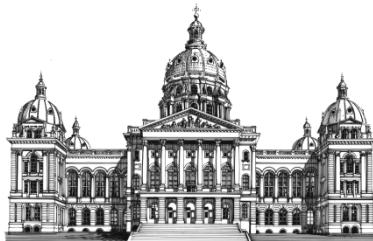


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Des Moines, Iowa 50319

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Senate Republicans Release the “Iowa Working Families Tax Relief Act”

Des Moines – Senate Republicans released the Iowa Working Families Tax Relief Act this morning, putting forward a bold policy aimed at rewarding work, encouraging investment, and giving job creators the confidence to create career opportunities for Iowans.

In total this bill provides Iowans \$1 billion a year in tax relief. It lowers the taxes on Iowans by an average of \$1000 annually. The top rate paid by many Iowans is 8.98 percent, the fourth highest in the country. The rate is 6.3 percent under this proposal, lowering the rates for most Iowans by 30 percent.

“The Iowa Working Families Tax Relief Act empowers Iowans to keep more of the money they earn,” said Senate Majority Leader Bill Dix, R-Shell Rock. “This money will boost the local economy and provide opportunities for Iowans to invest in retirement, save for college, or make important upgrades to the family home.”

Iowa has the highest corporate tax rate in the country at 12 percent. The Iowa Working Families Tax Relief Act lowers the tax rate on Iowa job creators, making Iowa much more competitive with other states in the Midwest. Announcements from companies large and small bring news of significant new investments in America. With this lower, more competitive rate, Iowa will be best positioned to compete for these investments. This bill also aims to reduce and eliminate some of our state’s tax credits, a symptom of an uncompetitive tax code. Under this proposal, Iowa’s tax code will be more competitive and reduces the need for tax credits to favored industries, leveling the playing field for all businesses. The Iowa Working Families Tax Relief Act also permanently couples with federal tax changes, giving the agricultural economy a much needed boost and providing job creators the confidence to invest in Iowa.

“The time has come for Iowans to see true income tax relief,” Senate President Jack Whitver, R-Ankeny said. “This is real, meaningful reform coupled with a significant reduction - not just tinkering around the edges. Iowa families deserve to have more of their hard-earned money in their pockets.”

Finally, tax reform introduced by Senate Republicans dramatically simplifies the Iowa tax code by aligning state taxes with federal taxes. Providing clarity to taxpayers and job creators across the state makes Iowa one of the simplest states in the country to pay income tax and makes our state one of the most tax-friendly states in the nation.

“Working families in Iowa deserve big, bold tax relief,” said Senator Randy Feenstra, R-Hull. “I am proud to put forward a proposal that will make our state competitive with others in the nation and make Iowa known as one of the most tax-friendly. This is a proposal that offers a complete rewrite of a complex tax code, gives working families the largest tax cut in Iowa history, and encourages Iowans to invest in themselves and our state. This is the proposal hard-working Iowans deserve.”

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