REAL PROSPERITY:
A Blueprint for Economic Development in Georgia
LOWER TAXES AND ENHANCE GEORGIA'S BUSINESS COMPETITIVENESS

Tax Relief: Cut taxes for small businesses, the engine of job creation and growth

- Cut corporate income tax by one-third
- Exempt businesses from corporate income tax in start-up years
- Eliminate the corporate ‘net worth’ tax
- Allow local governments to exempt all business inventory from taxation

Foster an Environment for Job Creation and Growth

- Fuel growth in biotech and medical device industry
- Create Certified Capital Company (CAPCO) program to fuel research and development
- Complement venture capital investment through technical and advisory assistance through Small Business Development Centers (SBDC) in the University System of Georgia
- Maximize access to needed capital for small businesses through private lending

REDUCE THE TAX BURDEN ON HARDWORKING FAMILIES

- Restore fairness to the tax system by eliminating the ‘marriage tax penalty’
- Exempt all taxpayers earning $7,000 or less from personal income tax
- Eliminate unnecessary compliance burdens – apply a simple 6% tax for all
Making Georgia more competitive to attract new jobs and a high-quality workforce which it demands will be critical to our state’s efforts to regain its economic strength as a leader in the southeast and across the nation. Georgians recognize the importance of fostering a pro-growth, business-friendly economic environment to achieve this goal, and as the next Governor of our state, only conservative Nathan Deal will work to bring about the changes necessary to reduce the regulatory and tax burden on businesses to create jobs. Unfortunately, for too long these burdens have grown and have resulted in an environment which drives skilled workers and the industries which create new opportunities for Georgia’s workforce away to lower-cost environments.

According to the non-partisan Tax Foundation’s 2010 State Business Tax Climate Index, an annual publication which gauges business competitiveness among states, Georgia ranked 29th nationally and second-to-last among our southern neighbors with only North Carolina falling narrowly below our overall score. Florida ranked 5th in the nation and Alabama shortly behind at 19th, making it all the more important that Georgia improve its business climate under the leadership of our next Governor to restore and enhance our state’s economic and regulatory environment. My plan will ensure Georgia moves up to become the 16th best state tax climate, and 2nd overall in the Southeast.
Reduce the Corporate Income Tax

Tough economic times require tough decisions, and Georgians understand that even small differences in tax policies can have a significant impact on the growth of our economy. The benefits which businesses bring to our state are not just measured by the tax revenue which they generate, but by the goods and services they produce and the people which they employ. When more Georgians have well-paying jobs, the cost of state welfare programs fall and allow these resources to be used for the essential services of our state.

Over the past five years, taxes on home state corporations have nearly doubled. As profitability has continued to fall, so has the ability for employers to create new jobs. It is not surprising then that Georgia’s unemployment rate has reached a level of 10.6%, well above the national average of 9.7%. As the next Governor, Nathan Deal will work to reduce the corporate tax burden by one-third for Georgia businesses to create new jobs. By reducing Georgia’s corporate income tax rate to 4 percent, this much needed relief will trigger job growth, greater productivity and encourage investment here at home.

LEARN MORE AT: DEALFORGOVERNOR.COM
Exempt Qualified Small Businesses from Corporate Income Taxes for their First 10 Years

Start-up years can be among some of the most challenging for small businesses as revenues tend to be small and profits razor thin for most. Added burdens, such as state corporate income taxes, only add to the challenge and can often serve as a barrier to success for small businesses working to become established. As your next Governor, Nathan Deal will work to exempt small businesses from corporate income taxes during this vulnerable period in the company’s lifecycle to encourage entrepreneurs to open up shop, stay in Georgia and most importantly, create new jobs for Georgia’s workforce.

Eliminate the ‘Net Worth’ Tax

Corporate net worth taxes penalize growth and development of wealth in Georgia, and as Governor, Nathan Deal will work to eliminate this duplicative layer of taxation. By doing so, the state will send a strong signal to current and prospective businesses that Georgia is an ideal place to call home and provide an environment in which to grow. Loss of revenue would be minimal to the state and would quickly be replaced by a stronger corporate presence and improved environment within which growth and development will be encouraged.

Eliminate the Business Inventory Tax

Georgia is currently the only state among our immediate neighbors in the southeast which tax the inventory of a business. This tax hits retailers particularly hard and also encourages businesses to house their retail inventory outside of the state. As the next governor, Nathan Deal will work to eliminate this regressive tax to allow businesses to grow absent this additional burden and layer of taxation by allowing local governments to elect to extend current Freeport exemptions to more goods, regardless of who holds the inventory or the destination to which it is shipped. Lost revenue would quickly be offset through additional revenue from the sale of goods and would help to pave the way for new jobs in Georgia.

Learn more at:
dealforgovernor.com
As you know, Georgians are being faced with an ever-increasing tax bill and are receiving less and less in return. As our state continues to work toward better days, Nathan Deal understands that Georgia must follow the lead of hardworking families by tightening their belts and their budgets and be prepared to do more with less. Conservative principles show that government should not grow at a time when revenues fall and the best ingredient to bring prosperity back is through the creation of high-quality private sector jobs. That’s why Nathan Deal’s administration as governor of Georgia will remain committed to reducing the tax burden for all taxpayers. To prove his commitment to this mission, Nathan Deal has signed the Taxpayer Protection Pledge administered by Americans for Tax Reform that reassures voters he will oppose and veto any and all efforts to increase taxes under his leadership.

**Eliminate the Marriage Tax Penalty**

As your next governor, Nathan Deal will work to ensure hardworking families have access to quality jobs in our state and to ensure families are able to keep more of their money in their pocket. As part of this effort, Nathan Deal has committed to eliminate unfair treatment of married couples under the state income tax system. Strong families benefit our communities, and state policies should always seek to promote marriage rather than see it as a chance to take a few more dollars for the treasury.
Targeting the state marriage tax penalty for elimination sends a message that we’re a state that prioritizes family values.

**Simplify the Tax Bracket**
A primary factor in determining the state’s tax climate depends upon the rate, as well as the structure, of its taxes. Georgia’s personal tax system is a relatively broad-based personal income tax of 6%, but compliance costs and complexity with the current tax rate structure make it unnecessarily difficult for hardworking families. As Governor, Nathan Deal will use his leadership as a fiscal conservative to reduce the bureaucratic burdens of the tax system by eliminating personal income taxes for all individuals with incomes below $7,000 per year and enacting a simple tax of 6% of income above this level. In addition to a significant tax cut, this simple modification reduces complexity with our personal income tax system thereby reducing administrative costs for all taxpayers.

**Eliminate Withholding for Zero Liability Earners**
Every year, approximately 1.5 million taxpayers in Georgia have personal income tax withheld from his or her paycheck each month, only to receive the full amount of those funds withheld back at tax time. By eliminating the requirement for certain individuals to have income taxes withheld puts more hard-earned money back into the hands of hardworking families at a time when they need it the most. This also simplifies the administrative process by reducing the number of returns which the state must process as well as the burden on individuals which have to file in order to receive this money back.

LEARN MORE AT: DEALFORGOVERNOR.COM
Build a Climate for Small Business Growth
The backbone to Georgia’s economy is small business, and as the economy begins to rebound to the days of prosperity, access to needed capital is a fundamental ingredient to maintain jobs and the small businesses which provide them. As governor, Nathan Deal will work to ensure small banks are able to lend and small businesses have access to capital.

Establish Georgia as a Leader in Biotechnology
Georgia is ranked among the nation's top ten states in biotechnology, but growth in this industry is hampered when compared to competitor states due to challenges in obtaining necessary venture capital for start-up companies. As the home to world-class research institutions on the cutting-edge of biotech research and development, the Centers for Disease Control and Prevention, and a number of well-established firms and organizations, Georgia is uniquely poised for rapid growth and development in the industry. More than 62,000 jobs and $16 billion in sales, as well as $6.2 billion in state GDP are a direct result today with significant potential to grow and expand in years to come. As Georgia’s next governor, Nathan Deal will work to increase access to needed venture capital funding by encouraging private sector investment. Many states have in place economic development tools such as a Certified Capital Company (CAPCO) program which have proven very successful. Unlike traditional government assistance programs, CAPCOs are focused on economic development and rely primarily on the private sector to invest in targeted geographies or industries. With access to needed funding, firms with breakthrough biotech ventures will help restore skilled jobs to our state and to build Georgia as a leader in biotech research and development.

LEARN MORE AT: DEALFORGOVERNOR.COM
DEAL. REAL. DEAL FOR GOVERNOR

LEARN MORE AT: DEALFORGOVERNOR.COM