



Libertarian Think Tank Grades Gov. Snyder Low for Tax Hike Intentions

By [Tom Gantert](#)

October 3, 2014

A free-market think tank has given Gov. Rick Snyder a “D” grade for his performance in office the last two years, ranking him in a two-way tie as the lowest-rated Republican governor in the country.

The Cato Institute’s [2014 Fiscal Policy Report Card on America’s Governors](#) had Snyder tied for 35th place with Ohio Republican Gov. John Kasich with a score of 44.

But an author of the report said Gov. Snyder was hurt the most for his plan to increase gas taxes, something that never was enacted.

“The gas tax is what really hurt him,” Cato Institute Budget Analyst Nicole Kaeding said.

The proposed \$1.2 billion a year fuel tax increase was rejected by the House in favor of a much smaller and mostly revenue-neutral alternative, and then stalled in the Senate.

Kaeding said Cato’s report looks at both proposed and enacted changes, so Gov. Snyder was penalized for a proposal that never became law.

“He proposed it and supported it and we count it as a proposed tax change for him,” she said.

The ratings are based on seven categories centered on taxing and spending issues.

Gov. Snyder was rated a “B” in the 2012 Cato report with a 57 score. Kaeding said much of that “B” grade was based on getting rid of the Michigan Business Tax and replacing it with a Corporate Income Tax.

Jack McHugh, senior legislative analyst for the Mackinac Center for Policy, said Gov. Snyder was being criticized in part for not behaving like regular “political careerists.”

“For example, whatever you think of the actual policy, no politician with an eye on the next election would propose a billion dollar tax hike in an election year,” McHugh said. “No political careerist would have approved income tax changes that removed preferences for seniors on pensions.”

"The governor also gets points for dialing-back his predecessor's massive and bipartisan expansion of corporate welfare, and phasing out most property taxes on business tools and equipment," McHugh added. "Finally, it's odd that Cato's methodology didn't incorporate the Medicaid expansion, arguably Snyder's most consequential and potentially damaging act of the past two years."

Michigan's previous governor, Jennifer Granholm, was given a "C" grade in the 2010 Cato report with a 53 score, and a "D" in the think tank's 2008 Cato report with a 46 score.

"The governor is incredibly proud of the progress that's been made in Michigan and having it become the comeback state in the nation," said Sara Wurfel, a spokeswoman for Gov. Snyder, in an email. "Beyond eliminating the job-killing Michigan Business Tax and the outdated, burdensome Personal Property Tax, the governor has made getting the state on solid financial footing a top priority — from truly structurally balanced budgets and paying down debt and unfunded liabilities to building up the rainy day fund."