

# SOUTHEAST MISSOURIAN

## **It's high time to fix our high corporate tax rate**

Wayne Wallingford

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As your senator representing you in Jefferson City, lifting the heavy burden of taxation isn't just my priority -- it's my responsibility. I'm proud of the work my colleagues and I continue to achieve in providing much-needed tax relief for all Missourians.

Unfortunately, career politicians in Washington have neglected that responsibility since 1986. While the craftsmanship of the American worker is unmatched, so too is the complexity of the American tax code thanks to DC's dormancy.

Following last year's change election, the resolve to reform our code is reemerging amid this once-in-a-generation opportunity to do so. Critical to a comprehensive approach is a reduction of the rate burdening job-creating businesses of all sizes -- and the workers they employ.

Just this week, an annual OECD review reaffirmed that our corporate tax rate ranks as the highest in the industrialized world. While eight countries cut their rate in the last year alone, Washington hasn't managed to enact meaningful tax reform in the last three decades. Throughout the course of the past 30 years, as President Trump recently mentioned, "the average business tax rate among developed nations fell from 45 percent to less than 24 percent." America's state and federal corporate tax rates, meanwhile, currently combine for a devastating 39.1 percent. That 15-point discrepancy between how our government constricts businesses and how the world competes for them claims responsibility for lowering the long-term wages of Missouri workers by -1.20 percent.

A country competing against itself -- unnecessarily so -- simply cannot compete against others around the globe.

President Trump's tax reform kick-off right here in Missouri, however, marked a refreshing change of course. Here is why it is so critical that Congress follows through: Per a study conducted by economists at the Cato Institute and Marquette University -- and released on the very same day as President Trump's Springfield speech -- reducing the corporate tax rate to levels enjoyed by our competitors would "boost wages in the long run by 15 to 20 percent and employment from 10 to 15 percent." Coupled with the nonpartisan Congressional Budget Office's analysis that labor bears more than 70 percent of the corporate tax burden, it's clear why momentum from both sides of the aisle continues to grow: Swift, overdue reform will put more money in the pockets of workers.

I therefore stand proudly with the more than 70 percent of people across our state in supporting what would be a true windfall for Missouri's middle class: fixing our broken tax system.

Wayne Wallingford, R-Cape Girardeau, is the state senator for Missouri's 27th District.