



Cato Gives ‘A’ Grade to Govs. Brownback, Scott, LePage, Corbett

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The libertarian-oriented Cato Institute has issued a report card on governors’ fiscal policies, and Republicans Sam Brownback of Kansas, Rick Scott of Florida, Paul LePage of Maine, and Tom Corbett of Pennsylvania top the list.

In a Wall Street Journal opinion piece, Chris Edwards, director of tax policy studies at Cato, offers explanations of why each of the four received an “A” grade.

“Brownback cut the top individual tax rate in Kansas to 4.9 percent from 6.45 percent, increased the standard deduction, and cut taxes on small business income.” That amounted to the biggest tax cut by any state relative to the size of its economy in recent years.

“Scott ended Florida's corporate income tax for thousands of small businesses,” Edwards writes. “He is also moving ahead with cuts to property taxes on business equipment, which are a big hindrance to economic growth.”

LePage has trimmed Maine's top individual tax rate to 7.95 percent from 8.5 percent and simplified tax brackets. In addition, he approved slicing that rate to 4 percent over time if budget surpluses are big enough. LePage wants to ultimately phase out the individual income tax and slash the corporate tax rate in half, to 4 percent.

Corbett reduced Pennsylvania's capital stock and franchise tax and wants to get rid of it by 2014. “That sounds like an obscure reform, but this tax imposed an \$800 million annual burden on businesses,” Edwards writes. As Corbett says, “it’s a job killer.”