

Opinion: Legislation to help overtaxed Californians

By Ted Gaines

To overtaxed Californians, every day feels like April 15. California sports the highest income tax brackets of any state, top-five gas taxes (and that's without including the "cap-and-trade" fees on every gallon, which would push us to the top of the heap), the highest corporate tax in the western states, and so on down the line. And for all that money, the state's taxpayers get broken down roads, crumbling spillways, and a laughingstock of a high-speed rail project that is attaining cult status in the annals of wasteful spending.



Ted Gaines

I say enough. That's why I'm introducing a group of bills to ease the burden on the families and businesses who see too much of their money go to Sacramento with too little result.

Senate Bill 995 will raise the standard deduction by \$1,500 for single filers and \$3,000 for joint filers, creating a benefit that will be enjoyed by everyone.

Senate Bill 996 will lower California's corporate income tax from 8.84 percent to 6.84 percent, and take us from ninth highest in the U.S. to 25th highest. California has lost 9,000 businesses or expansions to other states recently, and the legislature seems intent on taxing the rest of them out of

state as soon as it can. But by giving them a chance to keep more of what they earn, we can retain businesses, and help them invest, expand, hire more workers and raise wages for their employees.

Senate Bill 1218 will make contributions to 529 College Savings Plans tax deductible in California. Currently, money in these plans grows tax-free but California is one of nine states that forces savers to use after-tax dollars to fund the plans. With college costs exploding and students graduating with heavy debt, we should make it easier for families to save. By letting savers deduct 529 plan contributions, we can help them build bigger college nest eggs for their children and grandchildren and free up more state dollars for our neediest students.

Senate Bill 1231 is going to grant a \$6 billion tax rebate to the people by sending a check to every Californian who filed a tax return in 2016. The governor estimates that California has a surplus of more than \$6 billion this budget year, and that's after fully funding our rainy day fund. That's after increasing school spending by nearly 70-percent over the past 6 years. This money is extra, above and beyond the comprehensive plans and unreasonable demands of California state government. This is simple tax justice, and the overburdened California taxpayers deserve their money back.

Taxpayers need a champion in Sacramento. These bills are ambitious and taken together would strike a blow against the tax-and-spend politicians who are spoiled by their stranglehold on taxpayer wallets. Even with all these changes, California won't transform into a tax haven. It still won't fully compete with zero-income tax Nevada or zero-sales tax Oregon. But these bills are a giant step in the right direction, and they would let the people know that their fate isn't to always get poorer so their government can get richer.

Ted Gaines represents the 1st Senate District, which includes

all or parts of Alpine, El Dorado, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra and Siskiyou counties.