

NEWS RELEASE

IOWA TAXPAYERS ASSOCIATION

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ITA RESPONDS TO REVENUE ESTIMATING CONFERENCE

ITA Encourages Targeted Cuts in State Spending

The **Iowa Taxpayers Association** (ITA), the state's leading nonpartisan business tax policy resource encourages Governor Culver to head back to the budget drawing board following today's revised projections from the Revenue Estimating Conference (REC).

Because the REC estimates that the net General Fund revenues will be \$414 million less in FY 2010 due to an 8.4% decline in revenue from last year, ITA believes that now is the time to make the difficult decisions on cutting state expenditures before the start of the 2nd session of the 83rd General Assembly.

“Given the REC’s best estimate and the recent decline in state revenue, the state is now in a position to have to make the same painful choices that Iowa businesses have had to make during the past 16 months” said Ed Wallace, President of the Iowa Taxpayers Association.

Wallace further stated that “Across the Board cuts may provide some relief, but the Governor alone does not have the ability to make targeted cuts.” Targeted cuts by the legislature may make the most sense provided that they would be able to reach consensus in a special legislative session”

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