

Tax reform is working for New Hampshire

AS GRANITE STATERS begin to prepare their tax returns for this next year, they have a lot to be happy about. New Hampshire's economy grew by 4.4 percent in the third quarter of 2017, the third highest rate in the nation, and the fastest in New England. The recently passed Tax Cuts and Jobs Act is putting more money in people's pockets, and encouraging employers to reinvest here at home. Through our pro-growth initiatives, Republicans have fulfilled a commitment we made to the people of New Hampshire, providing tax relief that boosts our economy and returns money to everyone's pocket. Last year was a great one for Granite Staters, and 2018 is shaping up to be even better.

At the federal level, Americans will receive significant tax relief for the first time in a generation. The Tax Cuts and Jobs Act is a leap forward to a fairer and less confusing tax system. Here in New Hampshire, a single mother of two children

Another View

Gov. Chris Sununu

struggling at the adjusted poverty line of \$30,044 will see her tax refund increase by over \$1,500. New Hampshire's businesses will also be empowered like never before to increase investment in wages, expansion, and growth opportunities — providing yet another boost to our economy.

The economic prosperity that New Hampshire is experiencing is the direct result of our low taxation, limited government philosophy. Back in 2015, New Hampshire Republicans stood firm and implemented business tax cuts against the will of Democratic leadership. State House Democrats claimed these reductions were fiscally irresponsible and would blow a hole in the state budget. They were wrong. In 2017, state revenues rushed in \$96.4 million over the budgeted plan — largely driven by the Business Profits Tax and the Business Enterprise Tax outperforming estimates by \$72.7 million. Make no mistake, this strong performance has been the direct result of our business tax cuts at work.

New Hampshire's strong fiscal health reaffirms what Republicans have

long known — reducing taxes and returning money to citizens promotes economic growth. During last year's budget process, we took a measured and fiscally conservative approach, by tying each stepped reduction in taxes with business tax revenue. Taxes are reduced only if revenue thresholds are met or surpassed, as they were in 2017. Business taxes are on track to exceed fiscal year 2018 projections by \$29.8 million, likely triggering a further reduction.

It is very encouraging to see business tax revenue performing ahead of projections once again this year, reaffirming Republicans' support that tax relief for our small businesses grows our economy. We must ensure a favorable climate for our state's business community to prosper while enticing businesses outside our borders to make our state their home.

After years of denying the economic benefits of state business tax cuts, State House Democrats wanted to spend the 2017 surpluses on expanding government. This surplus was one-time money and it had to be treated as such. Working with Republicans in the Legislature, my administration returned \$36 million to towns so that localities can provide relief on their tax base — a home run for taxpayers — by investing in critical infrastructure improvements. We grew the Rainy Day Fund to \$100 million, and are in the process of distributing \$18.7 million in school building aid across the state, ensuring that New Hampshire's schools are the safest in the nation.

There is no doubt the recent simplification of the federal tax code will build upon the success of our state business tax cuts. Wages are rising, unemployment is falling, and investment in our local economy is booming. There is no doubt our pro-growth initiatives are having a positive and direct impact on people's lives — New Hampshire Republicans are getting the job done.

Gov. Chris Sununu lives in Newfields.