

RI Ranks Near Bottom For State Tax System

Oakton, VA - Today, the Small Business & Entrepreneurship Council (SBE Council) published the "Business Tax Index 2009: Best to Worst State Tax Systems for Entrepreneurship and Small Business," which ranks the 50 states and District of Columbia according to the costs of their tax systems for entrepreneurship and small business. According to the nation's leading organization advocating for entrepreneurs, elected officials in the states need to pay careful attention to their state's competitive position regarding taxes, particularly given the dismal state of the nation's economy.

Raymond J. Keating, chief economist for SBE Council and author of the report, said: "Taxes have been piling up on small business owners, and the cumulative burden is particularly painful in a down economy like we are suffering right now. Unfortunately, state and local officials continue to increase a variety of levies without a firm grasp of the burdens they impose on small businesses and their state's overall competitiveness."

According to Keating, taxes matter. They matter to consumers, entrepreneurs, investors and businesses. And they matter when it comes to economic growth and job creation.

SBE Council's "Business Tax Index 2009" pulls together 16 different tax measures, and combines those into one tax score that allows the 50 states and District of Columbia to be compared. Among the taxes included are income, property, death/inheritance, unemployment, and various consumption-based taxes, including state gas and diesel levies.

According to the "Business Tax Index 2009," the 10 best state tax systems are: 1) South Dakota, 2) Nevada, 3) Wyoming, 4) Washington, 5) Texas, 6) Florida, 7) Alaska, 8) Colorado, 9) Alabama, and 10) Ohio.

The 10 worst state tax systems are: 42) Massachusetts, 43) Vermont, 44) Rhode Island, 45) Iowa, 46) New York, 47) California, 48) Maine, 49) Minnesota, 50) New Jersey, and 51) District of Columbia.

SBE Council President & CEO Karen Kerrigan added: "Of course, April 15 is 'Tax Day' - the day that much of the nation focuses attention on taxes. This day will get a higher level of attention given the hundreds of 'Tea Parties' that will take place across the nation. Not only do federal officials need to pay close attention to the message being delivered by these rallies, but state officials need to take note as well -- particularly those states with the worst tax systems. Raising taxes will only weaken a state's ability to recover from the recession and will drive jobs, businesses and investment opportunities to more tax-friendly states."

The SBE Council is a nonpartisan, nonprofit small business advocacy organization that works to protect small business and promote entrepreneurship. For more information please contact 703-242-5840, or visit: <http://www.sbecouncil.org/>.