

“ Bishop Talks Shop And The 2007 Agenda” (Excerpt)
MIRS Capitol Capsule, November 16, 2006

Q. Is there a timetable for the Single Business Tax (SBT) replacement?

A. There is a committee as we speak that was put together for purposes of putting together some recommendations. There is no timetable other than the end of the year next year. We don't want to rush to any conclusions and certainly there are a lot of ideas out there, but this is all too important to rush to a final decision.

Q. Does the change in the House make it more difficult or easier?

A. I think it makes a political difference but not much more than that. We all know — Republican or Democrat — we all know that this tax needed to go and we need to do something about it for the sake of the business environment, for the sake of the economy, for the sake of jobs and our families and the future — we have to do something about that. There are a lot of things that are going to have to play a role in what we're going to do with the SBT and how we're going to proceed in the future. We need to examine the budget numbers as they come in next year and see exactly what our target is because right now we're shooting in the dark.

Q. Do you think the SBT needs to be replaced dollar for dollar?

A. I don't. I think we need to look at the budget and the revenue estimates as they come in and know exactly where we are. I think we need to look at a lot of things and I think it would be a mistake for us to look at replacing a tax with another tax without looking at other options. We really need to review tax policy in the state as a whole.

Q. Of the plans out there to replace the SBT, are there any that you see as a good one for Senate policy?

A. We've had a chance to review scores of ideas with variations on the same theme. I do believe that the good part about all of this is that it opens the door of tax policy in Michigan. It gives us an opportunity to discuss, as a whole, tax policy. So that's the good part. I don't know if there's any one plan that in and of itself will be the answer. That's something that the future caucus will have to work on and resolve.

Q. What would you like to see a replacement look like?

A. What I want the replacement to look like is not relevant at this time. What's relevant at this time is what the caucus wants it to look like. I'm going to review that in detail as soon as I see all the numbers, and I'm not going to be the one to tell you I have the silver bullet right now. I want to have that information at my side (revenue estimating numbers) I want to have my caucus at my side and I want to have some experts from the business community to help me put together the

proper plan that will not only serve the state but also serve the business community in the future because that's our goal here is to try and find a way to enhance the business environment in the state.

Q. Do you believe that personal property tax reform, reduction needs to be part of the picture?

A. If you talk to manufactures in the state they will tell you that that is the issue and that's part of the dialogue we need to have.

Q. What do you think personally?

A. Personally, I think we need to do something in regard to the personal property tax issue. I've had a chance to speak to the manufactures in my district and I can tell you [those are] the number one issues. The SBT is one but I can tell you the personal property tax is one, as well. Having said that, we also have to accept the fact that our local governments are going to have to play a role in this discussion as well because most of that revenue goes back to them. There are a lot of people who have to come to the table and discuss this issue and we're going to have to be prepared to take a lot of time and examine this form a lot of different angles. You also need to look at other states around us. You have Ohio and Indiana who are both in the process of changing their systems. I'd like to see how that works in their states and learn from them.

Q. Is there enough time?

A. There's plenty of time. Look what happened back in 1994 with Proposal A. We put together Proposal A and the legislative package in such a way they were able to comply with a deadline that was far less [time] than what we have right now.