

December 7, 2005

Akin Works to Prevent Casinos, Massage Parlors and Liquor Stores from Receiving Tax Breaks

Washington, D.C. - Congressman Todd Akin (R-MO), today lauded efforts by Representative Frank Wolf (R-VA) to prohibit Casinos, Massage Parlors and Liquor stores from receiving Tax Breaks intended to lure jobs and commerce back into Gulf Coast communities ravaged by hurricanes. Congressman Akin signed a letter from Representative Wolf to House Leadership urging the elimination of tax incentives for Casinos, Liquor Stores and Massage parlors from being included in the Gulf region rebuilding tax package.

“I am happy to support Representative Wolf’s fight for fiscal responsibility and common sense, and I hardly see how there can be any debate about the propriety of spending tax dollars on such enterprises,” said Akin. Congressman Akin signed the following letter to House Leadership:

Dear House Leadership:

We are deeply troubled by the possibility that a Gulf region rebuilding tax package could provide tax incentives to massage parlors, liquor stores and casinos. With the Senate-passed bill allowing benefits to flow to these businesses, the House of Representatives must include a prohibition.

As you know, Congress has a long history of limiting certain types of businesses from receiving redevelopment tax benefits. What’s different today? Why can’t – or more accurately, why won’t – we continue to say no to using our constituents’ hard earned tax dollars to subsidize massage parlors, liquor stores and casinos? Shouldn’t we continue that precedent, particularly at a time when we, as Republicans, are trying to rein in federal spending?

The recent budget vote has proven that Congress is willing to make difficult decisions. Prohibiting massage parlors, liquor stores and casinos from getting tax breaks is not a tough call. In fact, there really shouldn’t be any debate.

How will Members be able to explain that they are making the difficult choices – slowing the growth of Medicaid, student loan funding and food stamps – while at the same time voting to give casinos, which are boasting of record profits, massage parlors and liquor stores tax breaks? It will be virtually impossible to defend this action.

Fair-minded Americans support tax incentives to spur business reinvestment along the hurricane-ravaged Gulf coast to help victims there rebuild their lives. But we believe they would draw the line - as Congress has historically done - in using taxpayer dollars to rebuild certain businesses.

We encourage you to insist that the final version of the Gulf region rebuilding package have language limiting certain businesses from receiving tax breaks. This is not something out of the ordinary. It has been done before and should be done again. Legislation that does not include these prohibitions would not be acceptable.