

Letter to the editor

ST. PAUL, MINNESOTA, UNITED STATES, June 16, 2016 /EINPresswire.com/ -- To the Editor, The 2016 tax bill has been pocket vetoed by the Governor, in part due to a drafting error that would have provided Minnesota's charitable gaming organizations with some accidental tax relief. As indicated in the Governor's letter to legislators on June 1, the heart of the case against any tax relief for gaming charities is the funding of the Vikings stadium by charitable gaming taxes in the 2012 legislation that made the new stadium a reality. The Governor states that the accidental relief given to charities in the tax bill would create a deficit in the stadium fund.

The funding of the Vikings stadium has become an albatross around the neck of 1200 good work community based organizations. Charitable gaming's ability to grow our mission work in our communities is being severely hindered by the state tax structure that we currently operate under. Our current tax structure allows no deductions of any kind from our tax liability, even our donations are taxed, at a graduated rate that peaks at 36% of every dollar taken to the bank. Who else in the state pays taxes on their donations or a tax rate of 36%, much less our charities?

We are now sending the state in excess of \$1 million per week in taxes. Our dollar sales went up 9% last fiscal year and we paid 13% more in state tax. This year our sales will be up 13% and our taxes will be up roughly 18%. That is erosion of our ability to fund our missions due to the excessive graduated tax rates.

The citizens of Minnesota have already given the Vikings hundreds of millions of dollars for the stadium and the franchise is now reported to be worth \$1 billion more than the Wilf's paid for it. Charitable gaming organizations are getting tired of working for our communities only to turn an unfair proportion of our proceeds over to the state to pay for a stadium designed to make billionaires and millionaires richer while our missions suffer.

There are additional provisions for making up any shortfall in the stadium fund that involve user fees on stadium suite rentals and new MN State Lottery games, neither of which further erode the ability of gaming charities to serve our local communities.

Charitable gaming benefiting our local communities should be a higher priority than continuing to give the Vikings and NFL Super Bowl tax relief as had been proposed in the now dead tax bill. If a special session is called by the Governor, having gaming charities deduct their donations from their tax liability is the least that the Governor and Legislature could do for us as a start.

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