

**Governor Jennifer M. Granholm**  
**June 15, 2007**

This is Governor Jennifer Granholm.

This week I was pleased to announce an agreement on a new business tax structure for Michigan.

This new Michigan Business Tax will encourage job creation and make Michigan more competitive for businesses. That, in turn, will help us to ensure that our people have the tools that they need to be competitive and successful in Michigan.

This is a win for Michigan businesses, a win for citizens, and a win for our economy.

I first laid out a plan to make Michigan's business tax structure competitive way back in 2005, and I'm glad that we finally got it done. Our agreement shows what can happen when we work in a bipartisan fashion to do what is right for Michigan.

We're creating a pro-growth structure that will provide a tax cut for more than seven out of ten Michigan businesses. It provides tax cuts for small businesses and for our major manufacturers. It's simple, it's fair, it will encourage research and development, entrepreneurial ventures and, most important, job creation.

However, this new Michigan Business Tax is just one part of a comprehensive approach to building a secure future for our state. We're still facing a \$1.8 billion budget shortfall which starts in October.

That means we need to continue to look for places to cut spending and save taxpayer dollars.

We need to reform how government works so that we can cut costs without compromising services that are vital to businesses and citizens alike.

We need new revenues so that we can continue to invest in the things that will bring new businesses and new jobs to our state – things like strong schools, a highly skilled workforce and safe communities.

With the financial stability of a comprehensive solution, we can put on a full court press to recruit jobs and businesses to Michigan.

In fact, just this past week I helped announce a new great business that is choosing Michigan. John Deere – the guys who make tractors – and Wolverine Power are coming together to build Michigan's first wind farm. It will consist of 32 wind-powered turbines that will create enough electricity to power more than 15,000 Michigan homes.

Our economic plan is focused on diversifying into cutting edge sectors like alternative and renewable energy. And this energy project is another positive sign for the state.

With our new Michigan Business Tax, we will be even better positioned to bring more promising, job-creating projects to Michigan.

But now we need further progress on solving this budget crisis so that we can continue to push forward with Michigan's aggressive economic plan with everything we've got.

Thank you for listening.