

What's happening & What's at stake

Say 'NO' to a crippling Corporate Income Tax Hike!

- Michigan's chronic underfunding of road maintenance and rebuilding has led to the Great Lakes State having some of the worst transportation infrastructure in the country.
- Elected leaders have proposed several options in 2025 to fix our roads, including the Governor and House Democrats pushing for a more than a **40% increase** in the **Corporate Income Tax or CIT** (from the current 6% to 8.5%) to fund these fixes.
- It's called a "corporate" income tax, but don't be fooled. This hike would hit Michigan small businesses the hardest.

Michigan's roads are in rough shape and we need fixes – no question. But raising the **Corporate Income Tax (CIT)** is absolutely the wrong road to take.

That approach threatens jobs, small businesses and our state's economic future.

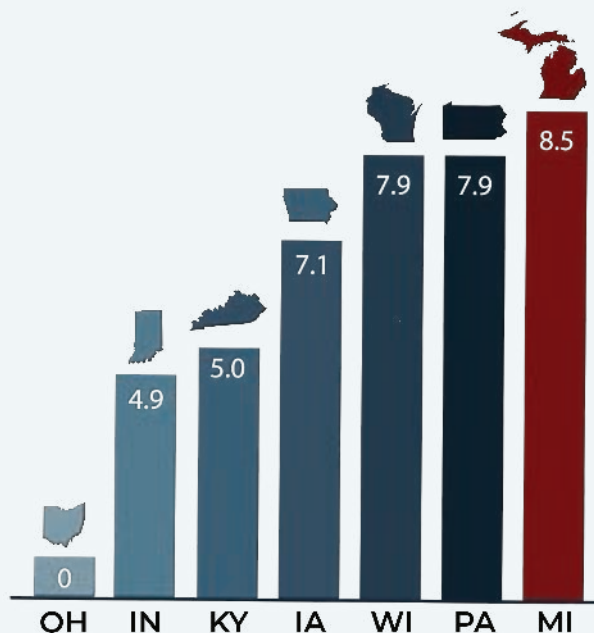
Bad policy Bad timing

Already uncompetitive. Michigan's CIT is already higher than half the country, outpacing Midwest competitors like Ohio and Indiana.

Nation moving the other way. 16 states have cut their CIT rates over the last few years – with four of those doing so in 2025. Why would Michigan move backward?

At 8.5%, we'd have the 7th highest rate nationwide. This hike would place Michigan in the top 10 highest corporate tax rates nationwide. That's not where we need or want to be to build a stronger Michigan.

How Michigan would compare to other states



The MI Chamber's position **Why this is the wrong road:**

- **Jobs at risk.** A massive tax hike like this will stifle job creators, slow hiring and deter new investment.
- **Small businesses hit hard.** Nearly 9 in 10 "corporations" in Michigan are small, local businesses — they're the coffee shops, service providers and retailers that bolster Main Street communities throughout our state.

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- **Unfair burden.** This tax proposal equates to roughly \$800 million a year in new taxes — all on the backs of a small share of Michigan employers. Expecting them to shoulder the cost of fixing our roads isn't fair, sustainable or smart.

The MI Chamber and member businesses are advocates for improving our state's deteriorating infrastructure. But we first urge emphasis on options like: government efficiencies, budget prioritization and user-fees.

We must invest in infrastructure – but not on the backs of job creators and our state's shared economic future.

The bottom line is that we need solutions that grow the economy, not shrink it – and that fix our roads, not create bigger potholes somewhere else.

Have questions?

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