

from the workaday woes. You can stroll for a few minutes after work or on a Sunday and forget your

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LABU FORUM

of snow on the San Gabriel Mountains. I should have included that in my original list.

nal. He can be reached at ccrumpley@labu-
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Tax and Unspend

► GREG STEWART

Chief Financial Officer
Evolution Media

I think as long as it's temporary, it's a start. But I think Sacramento needs to get real, and both the Democrats and Republicans need to acknowledge that balancing the budget is going to require a mix of spending cuts and tax increases. It's naïve to assume that either should be off the table. What makes me cautious about this is that raising the sales tax is regressive by nature and hurts people that are already suffering in this financial climate even more. I'm also concerned about handing unilateral budget-cutting power to this governor or any governor – that's a slippery slope.



Stewart

In a proposal to help deal with the state budget deficit, Gov. Arnold Schwarzenegger offered to raise the state sales tax in exchange for the power to cut spending. So the Business Journal asks:

imposing a higher sales tax. Increasing the sales tax will most likely result in a reduction of the revenues generated by the sales tax. Balancing the budget is a critical element, but we need to figure out a better way of doing it without raising taxes. Budget cuts in nonessential areas would be a better approach than raising taxes.

► LISA KNUPP

Director of Recruitment
Equis Financial Staffing

I'm all about the objective – so that's important. The state's deficit is something to be concerned about, and if this method works then it'll be worth it. I would be interested in learning about alternatives. I feel like we are taking one hit after another as taxpayers, so it kind of feels like another blow.

► SCOTT HARRIS

President
Mustang Marketing

The immediate answer is that I think it's an

Should California increase its sales tax and give the governor authority to slash spending?

excellent idea – giving the governor some power to control the budget makes a temporary increase in the sales tax well worth it. That's based on two assumptions: that the sales tax is temporary, and that the governor has actual power to control and curb spending. If there isn't some type of compromise, we're going to continue to operate the largest state in the union without an approved budget.

► GARY YAGGY

Certified Public Accountant
NSBN LLP

The state Legislature should get its act together. I, for one, am tired of bailing them out. Just as an example I seem to recall when the state lottery was put in to place, the concept was profits were to go to schools. Ultimately they did, and lo and behold other funds were cut and schools didn't get the huge influx of additional funds that were promised. I'm afraid that this increase will turn out the same way.

► ABE HELOU

Dean
University of La Verne, College of Business & Public Management

Increased taxes have always backfired – we were never able to eliminate budget deficits by

Los Angeles Business Journal Poll

What do you think of Gov. Schwarzenegger's offer to raise the state sales tax in exchange for new power to cut spending?

