

Reader Opinion: Taxes hurting local charities

State taxes have taken over the mission of local charities around the state according to a new survey of Allied Charities of Minnesota. Two-thirds of survey respondents reported that they have turned down requests for grants because of burdensome state taxes. High state taxes have caused many organizations to reject funding requests for groups or activities they normally would fund. High state taxes, driven in large part by the cost of U.S. Bank Stadium (which should be called the People's Stadium) is driving a lot of discussion around the future of gaming. Some 200 charities now are paying more in state taxes than they are able to contribute to their missions. Charitable gaming pays a tax rate that averages 22 percent and is up to seven times higher than a for-profit business.

Baxter Lions is one of those charities. We have been forced to reduce donations to missions who need our support and have been dependent on us for years. We work hard to support our missions and it is discouraging to see so much go to the state while critical needs in our communities are unmet.

While the House of Representatives has included a small amount of tax relief in its omnibus tax bill the Senate does not include charitable gaming in tis version.

We are paying taxes on our gross profit before prizes and not on our net profit. So in all, we are paying taxes on money that never went to the bank.

We need everyone to call their representatives about this now. Thank you!

Sandy Johnson

Baxter Lions gambling manager and Allied Charities of Minnesota Region 7 director