

## An Open Letter to Raise Up Massachusetts

Posted by [John Regan](#) on Aug 26, 2019 8:30:00 AM

*Editor's note - Raise Up Massachusetts, the coalition of community organizations, religious groups and labor unions behind the so-called "millionaires tax," sent [an open letter to legislators](#) last week maintaining that "the current transportation and education funding crisis" is the responsibility of the business community. AIM President and CEO John Regan responds.*

Dear Raise Up Massachusetts,

We are in receipt of your open letter to the Massachusetts Legislature regarding "significant and lasting" investments in education and transportation.



Of interest was the following sentence: "In fact, business groups are actively organizing to avoid paying their fair share."

Given that we worked together for months to craft a compromise on paid family and medical leave, I believe that your letter represents a serious statement of position and concern, rather than a political stunt. We spent too many hours sitting across the bargaining table from one another for me to question the fact that you believe that businesses do not pay their fair share.

But that assertion does not comport with facts:

- Massachusetts employers provide 3.2 million private-sector jobs at a mean annual wage of \$63,910 to the citizens of Massachusetts (US Bureau of Labor Statistics); half of those 3.2 million jobs are in small to medium-sized businesses (US Small Business Administration)
- Massachusetts employers pay more than \$3.3 billion annually in corporate excise and other state taxes (Massachusetts Department of Revenue)
- Massachusetts employers pay \$4.9 billion annually in local property taxes to support schools, public safety and municipal services (Massachusetts Department of Revenue)
- Massachusetts employers pay \$22.8 billion per year to provide health insurance to their employees (Center for Health Information and Analysis)
- Massachusetts employers generated more than \$567 billion worth of goods and services during 2018 (US Bureau of Economic Analysis)
- Massachusetts employers pay nearly \$2 billion annually for workers compensation insurance premiums to protect the financial security of injured workers.
- Massachusetts employers pay nearly \$2 billion annually into the state unemployment insurance system.
- Massachusetts employers will on October 1 begin to pay another \$1 billion annually for the new paid family and medical leave program.
- The top 100 corporate charitable contributors in Massachusetts compiled by The Boston Business Journal gave more than \$300 million to Bay State non-profit causes last year, including

AIM Vision Award winner Cummings Foundation, which donated \$34 million to charity. This is just a slice of the money and time companies give to support their communities.

- State tax collections increased nearly 7 percent during the past fiscal year, surpassing budget benchmarks by \$1.1 billion.

Thousands of hard-working Massachusetts employers, from software startups to corner grocery stores, spend every day paying their fair share to the commonwealth by providing economic opportunity and prosperity from Boston to the Berkshires.

These employers understand the need to address intractable issues such as transportation and education, but they also understand that the recent examples provided by Connecticut and New Jersey prove that you cannot solve these problems by punitively taxing certain businesses or individuals.

I am delighted to engage in serious conversations with Raise Up and any other groups seeking to ensure the economic future of Massachusetts.

Sincerely,

John R. Regan, President & CEO  
Associated Industries of Massachusetts