

## Upcoming Programs

[Jim LeFevre, Chief Engineer,  
District 1 - KY Transportation  
Cabinet](#)

"Updates on Major  
Transportation Projects in the  
Area"  
January 16

[Dr. Michael Karpf - UK Medical  
Center](#)  
January 23

[President Randy Dunn- Murray  
State University](#)  
January 30

## Club Leaders

**Missy R Eckenberg**  
President

**Chris McNeill**  
President-Elect

**Jamie Futrell**  
Vice President

**Phyllis B. Russell**  
Secretary

**Thomas Scott Taylor**  
Treasurer

**Michael A. Muscarella**  
iPast President

## Birthdays

**Daniel Sene**  
January 10

**Joni F. Goodman**  
January 11

**John R Anderson Jr.**  
January 15

**Charles O. Heyduck**  
January 20

**John W. Harris**  
January 21

**Kenneth M. Schuppert Sr.**  
January 24

**Tommy E Nuckolls**  
January 25

**Edward A. Hely**  
January 25

**Roger L. Kellner**  
January 27

**James A. Harris Jr.**  
February 01

**Kelly Nuckolls**  
February 03

**Alex Edwards**  
February 05

**Michael A. Muscarella**  
February 06



# GearTeeth

The Rotary Club of Paducah

Website: [www.PaducahRotary.org](http://www.PaducahRotary.org)

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*4th of July, Labor Day, Thanksgiving and Christmas.*

## Blue Ribbon Commission on Tax Reform



**Jerry Abramson** has the distinction of being the longest serving mayor in Kentucky history, serving five terms as mayor of Louisville. Now, as Kentucky's Lieutenant Governor, Abramson has been tapped by Governor Beshear to chair the Blue Ribbon Commission on Tax Reform. The commission was asked to study the tax code and suggest reforms to make the code competitive with other states, fair to tax payers, promote economic growth flexible for future demands, and adequate to produce the revenue required for Kentucky

to meet its public obligations.

Twenty three Kentucky citizens were selected as members, seventeen representing a broad range of business and advocacy groups, and six legislators to provide input but not vote on commission recommendations. Fellow Rotarian John Williams, Sr. and Senator Bob Leeper are both on the commission. For consulting on public finance, the commission looked to Dr. William F. Fox, director of the Center for Business & Economic Research at the University of Tennessee.

During the last five years, \$1.6 billion dollars was cut from Kentucky's budget in order to meet the state's balanced budget requirement. Some departments and programs were cut by as much as 30 to 40 percent. Dr. Fox's analysis estimated that if Kentucky did not make any reforms to the tax code, by 2020 another \$1 Billion would have to be cut from state expenditures. Therefore, the tax reforms proposed by the commission were not meant to be revenue neutral, but to replace the \$1.6 billion that was cut, returning revenues to the level of six years ago. This is better than the 30 and 40% cuts, but not enough to provide for future needs.

The primary focus of the Blue Ribbon Commission was on these five areas:

Income and Sales Tax – Proposed a reduction of top rate from 6% to 5.8%  
Pensions – Lower the maximum pension exemption from 41K to 30K.  
Itemized deductions – Cap the amount of itemized deductions.  
Working Poor – Introduce a state level earned income tax credit  
Corporate Tax – Decrease tax rate on businesses and corporations from 6% to 5.8%

To encourage funding of startup businesses, and research and development, they propose a 40% tax credit for such investments. They identified certain taxes that cost the state more to collect than they obtain in revenue and recommend that these be ended. And the commission encourages the use of local ballot initiatives and bond issues to fund more projects at the local level.

Other recommendations include increasing the tax on cigarettes from .60 cents to 1\$ per pack, and a tax on certain luxury services such as country club dues and limousine rentals. A sales tax on Internet commerce was discussed, but not proposed at this time.

Lt. Governor Abramson was last in Paducah for the first public meeting of the commission. The commission had six meetings, one in each of the congressional districts in the state. As a result of the six meetings across the state, and suggestions through the Internet, over 100 tax ideas were submitted. Of those ideas from the meetings, approximately 40% were specific tax ideas, and 60% addressed public funding needs.

Commission members entertained ideas that would most likely benefit the citizens and taxpayers of the Commonwealth. The next step will be in the political arena as the reforms are reviewed by Governor Beshear and then ultimately work their way into the legislative process.

Lt. Governor Abramson does not expect the commission's proposals to be taken up during this legislative session. However, discussion of these tax reform ideas will

continue with a goal of creating a fair, flexible code that is competitive for attracting business, that is easy for taxpayers to understand, and that adequately funds the public requirements of the Commonwealth.

For more information you may visit [The Governor's Blue Ribbon Commission on Tax Reform](#).

## Announcements

January 9th, 2013

### Rotary on the Move

Thanks to Paducah Cooperative Ministry for hosting Rotary on the Move on January 8th. We appreciate all they do for the community!

### Rose Bowl Parade Float

Rotary International had a Polio Plus themed float in the Rose Bowl Parade which our club sponsored. Ken Schuppert, Jr son of fellow Rotarian **Ken Schuppert, Sr.** was on the float with the Rotary International President.

### Attendance

**Jamie Futrell** announced attendance of 53% for the month of December. **George Shaw** won Focus Series tickets for having 100% attendance. Make it your New Year's resolution to attend and bring in a new member to the club.

### Paul Harris Society



**John Williams, Sr.** presented an update to the Foundation Committee's initiative to increase involvement with both The Rotary Foundation and the Paul Harris Society. He presented awards to the following Rotarians for their generous contributions: **Glen Anderson**, Board Member - PHF, **John Williams, Jr.**, Vice-President 2013-2014 - PHF + 1, and **David Bailey** - Past President, PHF +2.

### Board Meeting

Board of Directors meeting next Wednesday, January 16th, 5:15 p.m., Whaler's Catch Restaurant.

**Next Meeting** – Rotarians will meet on January 16th for a presentation by Jim LeFevre, Kentucky Transportation Cabinet.

## Guests

January 9th, 2013

### Guests

Sarah Hendley - Missy Eckenberg  
Steve Freeman - Barbara Veazey  
Fran Johnson - Elaine Spalding  
Amy Glasgow - John Williams, Jr.  
Pam Harrison - Julie Hart  
Gina Leeper - Laurie Latham  
Tyler Reardon - Cathy Crecelious  
Ashley Grooms - David Bailey  
Tena Payne - Barbara Veazey  
Rich Gray - Mike Muscarella  
Katie Conner - Mike Muscarella  
Laure Zwilcelmaier - Mike Muscarella  
Dr. Frank Hideg - Mary Hammonds  
Susan Graves - Barbara Veazey



**Student Guests**

Brock Sigler – Paducah Tilghman High School

Savannah Houser - Heath High School

Brandon Heinrich - Reidland High School