



Industry weighs impact of election results

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As retail development executives are assessing what impact the recent congressional election sweep by republicans is likely to have on several issues the industry deems important, there is no room for complacency, some warn. For instance, while republicans have generally opposed the attempt to permanently increase the tax rates on "carried interest"-the general partner's share of profits in a partnership or LLC-it does not guarantee that the effort to raise the carried interest tax rate will be cast aside entirely. Many lawmakers will feel the pressure to maintain fiscal discipline and limit deficit spending, leaving all potential revenue raisers on the table, according to Betsy Laird, ICSC's senior vice president for federal government relations.

The fate of the Main Street Fairness Act is also up in the air, she said. "Republican opposition to anything deemed to be a 'new tax' such as the Main Street Fairness Act, which grants authority to states to collect sales taxes on out of state e-retailers, will face an uphill battle in the 112th Congress," Laird said.

But the republican victories have dimmed the prospects for the Employee Free Choice Act, at least. Under current law, labor unions wishing to organize workers are required to submit secret ballots regulated by the National Labor Relations Bureau. The proposed measure would have enabled unions to gain recognition simply by having the workers fill out a card.

The results could also have a positive impact on the environmental front, Laird said. "The election defeat of James Oberstar (D-Minn.), chairman of the House Transportation and Infrastructure Committee, means that his pet project-greatly expanding federal regulation of private property developments near "wetlands"-will be placed on a back burner for the next few years.

For all that, the anti-incumbent sentiment among voters cut a swath through the ranks of so-called Blue Dog Democrats-a group deemed friendly to business-more than half of whom lost their seats to Tea Party candidates, Laird said.

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