



Published on Sunday, April 13, 2008

## **Stimulus plan adds to fiscal fizzle**

**By Don Worthington**  
Business editor

What is the mood in your house at tax time?

Are you looking forward to spending that refund check, or are you scrambling to find the cash you owe Uncle Sam?

Tuesday is the deadline for federal and state returns.

According to the Internal Revenue Service, Americans will file 133,917,068 individual returns. The average adjusted gross income is about \$31,000.

The average refund is \$2,287. Statistics on federal tax returns already filed show the average refund may increase this year. The average refund as of the end of March was \$2,464, according to the IRS.

Adding to the fiscal fizzle this year is President Bush's \$168 billion economic stimulus plan.

About 130 million families will get a check — ranging from \$300 to \$1,200 — providing they file a income tax return.

President Bush said the intent is to boost consumption: That means he wants you to spend it.

Small businesses will also benefit from the stimulus package with several tax breaks.

Not that George Cloutier thinks it will do much good. Cloutier is the owner of American Management Services and advises businesses across the country.

In an interview with U.S. News & World Report, Cloutier called the stimulus plan for small businesses a joke.

“The first thing is, as a small business, you have to be making money. If you're not making money, you don't get any benefit,” Cloutier said.

He estimated that 25 percent of the more than 23 million small businesses in the country “don't make enough money to get a tax break.”

The House Committee on Small Business met this week. Members want to revise the 54,000 page tax code to help small businesses. Among proposed changes are shorter depreciation schedules, a simpler home office deduction and allowing self-employed people to deduct the cost of health insurance.

So, what are your plans for tax rebate and stimulus checks? Spend them or save them?

Small businesses, how will you be affected by the stimulus package? Is it a benefit, or, as Cloutier suggests, a joke? Would the changes being considered by the House Committee on Small Business help you?

If you feel like sharing your thoughts, just send me an e-mail.

*Have a tip for Biz Buzz? E-mail Don Worthington at [worthingtond@fayobserver.com](mailto:worthingtond@fayobserver.com) or call (910) 486-3511.*

**Copyright 2008 - The Fayetteville (NC) Observer**