

Italy Pushes ahead on Tax Cuts

Contributed by Tom McGregor
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In a move that surprised French Socialists, Italy is moving forward on cutting taxes to help low income earner. Prime Minister Mario Monti is capturing popularity in opinion polls ahead of parliamentary elections next year. According to Fox Business, "the unexpected measure was presented in the early hours of Wednesday, along with a rise in value added tax and a raft of spending cuts designed to keep Italy on course to meet budget goals with the European Union."

Monti introduced the multi-billion-euro tax break that would come into effect at most four months ahead of elections. He argued that painful austerity measures implemented by his un-elected administration have begun to show results. He told reporters after a marathon cabinet meeting, "today we can see that budget discipline pays and makes sense."

As reported by Fox Business, "economists gave tax cuts a guarded welcome, but said it would do little to address the underlying problem of persistently low growth that has dogged the debt-ridden Italian economy for more than a decade."

To read the entire article from Fox Business, link here:Tmcgregordallas@yahoo.com