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Fiorina formally withdrew from the race this week – John Kasich is emerging as a ...

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While the field of Republican presidential candidates is being winnowed down – New Jersey governor Chris Christie and former Hewlett Packard head honcho Carly Fiorina formally withdrew from the race this week – John Kasich is emerging as a "real contender." After a strong showing in the New Hampshire primary, where he came in second to GOP frontrunner Donald Trump, Kasich must be taken more seriously.

So where does the Ohio governor stand on taxes? The plan released by Kasich's camp

Capital gains: Kasich would scale back the current maximum tax rate on long-term capital gains from 20 percent to 15 percent for taxpayers in the top tax bracket. He would also eliminate the 3.8 percent surtax on these capital gains. Thus, the maximum effective tax rate would drop from 23.8 percent to 15 percent.

Earned Income Tax Credit: In a nod to lower-income taxpayers, Kasich would increase the Earned Income Tax Credit (EITC) by 10 percent. The EITC depends on your adjusted gross income (AGI) and family size.

Business tax rate structure: For C corporations, Kasich would lower the top corporate tax rate from 35 percent to 25 percent. In recent interviews, he has said he would be open to an even lower top rate. Also, the effective tax rate for S Corporations, partnerships, limited liability companies (LLCs) and sole proprietors would be cut from 39.6 percent to 28 percent (see above).

Research credit: The basic research credit, which was recently extended retroactive to 2015 and permanently preserved by the Protecting Americans from Tax Hikes (PATH) Act, would be doubled for small businesses. The PATH Act also provides an enhanced credit for certain small businesses effective for 2016 and thereafter.

Section 179 expensing: Kasich would expand the expensing deduction under Section 179 to cover all business assets. (The PATH Act preserved a $500,000 limit retroactive to 2015.) This would completely repeal complicated depreciation rules that provide cost recovery periods based on the type of property placed into service. In other words, a business could immediately write of the entire cost of the assets.

Territorial system: The U.S. is one of the only developed countries in the world taxing income earned by its companies both within its borders and abroad. Kasich would transition to a territorial system where only earned in the U.S. would be taxable to these companies. This would include a one-time tax on overseas deferred

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