

# **Fulcher: Sales tax cut helps Idahoans where it counts**

**Russ Fulcher/Lewiston Tribune**

Recently, Marty Trillhaase wrote an opinion that the grocery tax repeal would be a good idea "for 15 seconds." I would like to submit to the readers why I believe it is a good idea to repeal the grocery tax for all Idahoans.

Eliminating the tax on food will provide welcome relief to every family in Idaho. I am pleased that both Republicans and Democrats support this legislation and I look forward to seeing this legislation become law.

For the past several years, we have watched as Idaho families struggle to make ends meet. We've gone through a housing crisis that resulted in people losing their homes. We've lost jobs in an economy where it takes almost twice as long to find a new one. Underemployment is more than 10 percent.

When people do find a job, it pays a low wage. Idaho has the largest percentage of minimum-wage workers in the country.

Salaries for job postings in Idaho are 34 percent lower than the national average, and Idaho is at the bottom in the nation when it comes to per capita personal income.

Some people are working two or three jobs just to put food on the table.

For these reasons and others, I led the legislative charge in 2007 to implement a grocery tax credit so that Idaho taxpayers could get reimbursed for taxes paid on food when filing their tax returns.

Although Gov. C. L. (Butch) Otter vetoed the bill that year, it was passed again in 2008 and he signed it.

So it is true that Idaho taxpayers currently have a mechanism of reimbursement for taxes paid on food, but here is the problem that has arisen: Since the grocery tax credit offers a reimbursement after the tax is collected, there is an ongoing temptation by opportunistic lawmakers to use this money for "other" things.

Bottom line is we need to help our people where it counts. Not collecting the tax on food immediately puts another \$624 per Idaho family every year.

Idahoans have always worked well through tough times, but if government can help them by taking less money from them in the first place, it should do so. People make wiser decisions with their own money than the government does. Here's just one example: While Idahoans are applying money-saving strategies at the grocery store, Idaho's Obamacare exchange has spent \$70 million on a website that does nothing to improve medical care.

It is estimated that the removal of the tax on food will reduce tax receipts to the state by \$26 million per year. But we need to keep in mind that is in the context of an annual budget approaching \$3 billion.

Plus, it stands to reason that if people spend less at the grocery store, the money they don't spend on food will be pumped into the economy in other areas.

Taxes on food hurts the working poor hardest because it is paid based on what a consumer buys, not what is earned. A 6 percent tax on groceries hurts a family making \$33,000 a year more than one earning \$83,000.

When families lose work or drop from full-time to part-time employment, they cut back on spending - but everyone has to have food.

It is time we do more for Idaho's families. Letting families keep more of their own money is a good start.

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*Fulcher, R-Meridian, is serving his fifth term in the Idaho Senate and is a candidate for governor.*