

# For tax cutters, here's another cold shower

**Marty Trillhaase/Lewiston Tribune**

If the Idaho legislators contemplating another round of tax cuts were seeking encouragement from last week's Associated Taxpayers of Idaho conference, they clearly came to wrong place.

Released at the traditional opening of Idaho's legislative season, an ATI-commissioned poll showed these tax-cutting efforts lack public support. Among the findings pollster Joe Goode delivered:

- 70 percent believe Idaho's tax system is fair.

"The 70 percent number is as high as I've seen, in terms of the tax system being fair," Goode said.

But it's not without justification. In terms of distributing the tax burden equally among rich and poor alike, the Institute on Taxation and Economic Policy ranks Idaho's balanced system of sales, income and property taxes as fifth best in the country.

Just the same, ordinary Idahoans are not blind to the GOP Legislature's recent string of changes shifting the tax burden from the rich to middle- and lower-income families.

Goode reports 58 percent believe large businesses and corporations are paying too little while 53 percent believe wealthy families are not paying their fair share.

- 59 percent say tax rates are about right. Sales taxes get the highest satisfaction score at 67 percent. Income taxes come in at 56 percent. Only 48 percent like where property taxes are set, however.
- If lawmakers want to change the system, they should stop flirting with a flat income tax rate. Voters are split evenly on the matter. Eliminating the sales tax on groceries is popular. So is extending the sales tax to online purchases.
- Education is where Idahoans want lawmakers to spend their time, not taxes. The economy is next.

More than 60 percent rated Idaho's economy fair at best and 54 percent said jobs aren't easy to find.

Taxes? That comes in sixth.

- Asked to choose, 58 percent would rather spend money on education and workforce training; 30 percent prefer lower taxes.

This is not coming from a left-of-center lobby or an academic setting. ATI is as mainstream as you can get in Idaho. And unlike most Idaho polls, Goode's survey looks at likely voters, not the public at large.

For members of the Legislature's Tax Working Group, this has got to feel like taking a cold shower. Tuesday, those lawmakers will outline proposals to flatten income tax rates, cut the personal property taxes big businesses pay on equipment or exempt food purchases from the sales tax.

But it's not as if they're hearing this for the first time. Back in October, outgoing Idaho Commerce Director Jeff Sayer warned them cutting taxes could damage Idaho's attempts to escape its low-wage, unskilled job economic tailspin.

"We do need lower taxes some day, (but) not today," he said. "The return for the state is not in lowering taxes, it's in investing in talent."

Sayer's boss, Gov. C.L. "Butch" Otter seemed to be echoing that line of reasoning when he spoke to the ATI conference. Pin him down and the governor was inclined to boost education before cutting taxes.

"Sometimes, there's an effort, I think, at the state level to use tax policy to starve government ... by cutting taxes, you cut the income to government," Otter said.

Of course, the elephant in the room here is the elephant. Republican members of the tax working group can ignore ATI's poll because it reflects the view of 440,000 Idahoans who go to the polls in November. They are more focused on the 155,000 people who vote in the closed GOP primary - the contest that really decides if they return to Boise or stay home.

So expect the tax-cutting to go on. Depletion of money available for schools, higher education and health care will continue. The partisan, ideologically driven base of Idaho's GOP doesn't pay attention to polls, commerce directors or even governors.