

Idaho's tax cut junkie scores his next fix

Marty Trillhaase/Lewiston Tribune

Some people pick their noses.

Others chew their fingernails.

There are those who can't kick smoking.

And Idaho House Majority Leader Mike Moyle, R-Star?

He's a tax cut junkie.

There Moyle was again Tuesday at the House Revenue and Taxation Committee seeking another fix.

His latest bill would cut \$27.8 million from the state coffers by giving an income tax break to individuals and corporations plus an extra \$10 a year in the grocery sales tax refund.

As usual with a Moyle tax bill, the breaks go to the rich. People in Idaho's top 20 percent would get nearly 60 percent of the cash, says the Idaho Center for Fiscal Policy.

When Moyle asserts Idaho's tax burden is high, he's indulging an itch - not stating a fact.

By one measure, the State Tax Commission ranked Idaho's tax burden at 49th out of the 50 states and the District of Columbia. South Carolina came in at 50th. Alabama came in last.

And none of the 11 Western states has a lower tax burden than Idaho.

Countered Moyle: "It depends on whose figures you use on where Idaho stands."

This is not a man leading a movement

Or even following the crowd.

When the Associated Taxpayers of Idaho commissioned pollster Joe Goode to ask Idahoans what they wanted, he found an astonishing 70 percent believe Idaho's system is fair - a number he said "is as high as I've seen."

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

Pollster Dan Jones and Associates found something similar - 70 percent of Idahoans believed their public schools "definitely" or "probably" are not adequately funded.

Nor has there been the usual clamoring for tax relief from Idaho's business class.

Not long ago, the Idaho Association of Commerce and Industry was pressuring lawmakers for a cut in the personal property taxes businesses pay on equipment.

This year, IACI has been silent.

Perhaps that's because business is more concerned with an education system that has fallen on hard times - thanks in part to the taxes that legislators cut in the midst of an economic downturn.

As former Idaho Commerce Director Jeff Sayer told a legislative tax working group last fall, disinvesting in education has crimped prosperity. When employers can't find enough skilled workers - and the unskilled workers who remain are living in poverty or close enough to it - the economy begins to stall.

"We're going to draw people to our state if we can produce high-paying jobs," Sayer said. "Is the tax rate a factor? Maybe. But it's not near the factor as demonstrating to people that we're investing in our education system, that we're investing in infrastructure, that we're providing high-speed broadband in rural communities. Those are the kinds of things that are attracting people to our state, not a tax rate."

Sayer's testimony set the tone for a panel that wrapped up its work without embracing any further tax reductions.

Even Gov. C.L. "Butch" Otter - who throughout much of his tenure has championed tax cuts as an engine of economic stimulation - brought in a budget devoid of reduced rates.

Instead, he's focused on spending what resources Idaho has toward restoring the losses public schools and higher education suffered during the Great Recession.

So what is Moyle up to?

Why pull \$27.8 million - or more - out of a still-recovering education program?

"We've grown government by a lot of money the last few years, and it's time we gave back a little bit," he says.

Says who?

That's not leading or following.

It's acting on an impulse.

And if Idahoans allow Moyle to indulge his obsessive-compulsive habit, their economy and schools will be the poorer

for it. - M.T.