

# Unlike you, Risch benefited from his tax cut

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A year ago, Democratic Senate candidate Larry LaRocco claimed his Republican rival, Jim Risch, had benefited handsomely from the tax shift Risch engineered during his brief stint as governor in 2006. Risch's bill cut property taxes by \$260 million and boosted the sales tax by 20 percent, raising \$210 million.

During a televised debate, LaRocco said the move saved Risch anywhere from \$53,000 to \$250,000.

"That's a lie," Risch said. "If I got \$53,000 out of this bill, I'll drop out of this race."

Risch didn't drop out. He went on to win the seat, and because of that he's required to file a financial disclosure report.

That report says he's worth at least \$19.29 million, making him the 13th wealthiest member of Congress. The report also says he owns at least \$16 million in real property, most of it in Idaho. With land that valuable, theoretically the tax cut would be worth \$48,000 to Risch.

Risch's defense is another tax break Idaho's Legislature handed the agricultural lobby. Unlike homes and businesses, farm and ranch land is appraised for pennies on the dollar. Since the taxes on that kind of property already were discounted, Risch saved \$4,000 on the property he owns in Idaho. To prove the point, Risch released his property tax assessments to the Lewiston Tribune.

Here's how it works:

● Risch told the Senate his home and 40 acres of land in Ada County are worth between \$5 million and \$25 million. Because of the ag exemption, it's taxed as though the property were worth \$354,129. Risch's tax savings came to \$1,062.

● Risch reported another 40 acres he owns in Canyon County is worth between \$5 million and \$25 million. For tax purposes, it's valued at \$35,500. The senator saved \$106 in taxes.

● On the Senate report, a 24-acre parcel Risch owns in Canyon County is worth between \$5 million and \$25 million. The assessor taxes it as if it were worth \$22,060. Tax savings: \$66.

Other Risch properties - rental units in downtown Boise, investment property in Twin Falls and a law office in Boise - are assessed at what they'd bring on the open market, or about \$917,500. Risch saved \$2,757 on those properties.

A \$4,000 tax cut is a long ways from the \$53,000 figure LaRocco cited. On the other hand, Risch would have to make a lot of purchases - about \$400,000 a year - to pay in new sales taxes what he saved in property taxes.

That's a better deal than most Idahoans got. They paid more in sales taxes than they saved in property taxes. If you earn less than \$134,000, you probably lost ground.

Under his tax bill, big business and wealthy families netted a \$60 million tax cut. Everybody else paid \$10 million more.

The measure also destabilized public school funding and is a big part of the reason school budgets have been cut for the first time in state history.

None of this is to suggest that the prospect of personally saving \$4,000 in property taxes motivated Risch to champion the 2006 tax shift. He pursued it because he believed in it.

But Risch rammed his tax plan through in a single-day special legislative session held during the dog days of August. He allowed no bill to compete with his. And Risch often was too dismissive of people who challenged his world view.

Now we know why. Being worth \$19 million has a way of isolating people from the concerns of those with much less. - M.T.