

Taxing the guy behind the tree

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commentary

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The Washington Democrats' scheme to seduce the electorate into granting Olympia the power to afflict the state with an income tax is a stark reminder of why we should never trust them. While thrashing about for ideas on how best to close the state's budget chasm, Senator Majority Leader Lisa Brown, D-Spokane, cooked up a quintessentially Democratic idea for having the citizenry give her the power to enact an income tax: Impose an income tax on evil rich people, while reducing the sales tax for everyone else.

This conforms to the legendary Louisiana U.S. Sen. Russell B. Long's definition of tax reform: "Don't tax you. Don't tax me. Tax that fellow behind the tree." As a reward for granting politicians the power to impose an income tax, the great majority of Washingtonians would see tax relief for doing what Brown considers the right thing. It's that guy behind that tree who will get stuck with the bill.

The Washington state constitution just about forbids politicians from imposing an income tax and it certainly prohibits a plot such as Brown's. Washington's constitution holds that income is private property and any tax on private property must be applied equally to all citizens and cannot exceed 1 percent. So if the Legislature were to impose an income tax, it would have to be applied to the first dollar that everyone earned and would apply equally to the last. In other words, it would have to be a flat tax. There could be no such thing as a "progressive" tax. The state's constitution permits none of the nonsense that clutters up the federal tax code, such as deductions, tax brackets and the rest, all of which have nothing to do with collecting revenue and everything to do with purchasing votes, rewarding approved behaviors and punishing unapproved economic activity.

Such limitations conflict with Democratic inclinations to use the tax code as a tool of social engineering and for rewarding political allies and punishing opponents as evidenced by Brown's idea.

As Rahm Emmanuel, President Obama's chief of staff once said: "You never want a serious crisis to go to waste. And what I mean by that is an opportunity to do things you think you could not do before."

And don't doubt that the Democrats see an opportunity to slip the camel's nose under the tent flap. If Washington allows them to stick the rich with a targeted tax, it won't be long before they abuse that authority and start working the tax downward through the income levels.

An income tax would not necessarily be a bad thing. Washington's current tax code is an unruly hodgepodge of sales taxes, gasoline taxes, cigarette taxes, a jobs-killing business and occupation tax, and will soon include taxes on bottled water, candy and potato chips. Surely something more cohesive and logical would be better.

It's just that Washington's political class cannot be trusted with that power. And most particularly, western Washington's political class cannot be trusted. A good income tax should apply to everyone equally. Today, nearly half of all wage earners are excused from paying federal income taxes and therefore have no direct fiduciary interest in electing responsible politicians. If it's that fellow behind

the tree who is going to be stuck with the bill, then why not elect politicians who reach into his pockets?

This is precisely the environment that Brown seeks to create, and she's not even subtle about it. Her proposal's ugliness and its appeal to class envy is plain as day for all to see. In truth, it's what she hopes will sell her idea.

I personally would favor an income tax if it were accompanied by a simultaneous reduction in other taxes and if it were absolutely flat, with no brackets and no deductions. We would have a far more responsible political class if those politicians had to answer to every single voter and therefore every single taxpayer for their spending priorities.

But responsibility to every voter is precisely what Brown and her ilk wish to avoid. By focusing tax collections on a very small fraction of the voters, she wishes to purchase the affection and electoral loyalty of all the remainder. This has far less to do with balancing the budget than it does with guaranteeing the political careers of the people who gave us a budget crisis in the first place.

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