

IACI can't whack the moles quickly enough

Marty Trillhaase/Lewiston Tribune

Pity poor Alex LeBeau. President of the Idaho Association of Commerce and Industry, LeBeau must feel like he's playing a game of Whac-A-Mole.

Every time LeBeau attempts to whack away at the \$141 million in personal property taxes businesses pay on equipment, another mole pops up.

First, the Idaho Tax Commission outlined how repeal would inflict carnage upon Idaho's counties, cities and schools. Some would be annihilated. Caribou County, for instance, would lose 43 percent of its tax base. The city of Plummer would forfeit nearly 46 percent. No school would be hurt more than Dietrich, which would lose nearly 52 percent.

Just as IACI was swinging the mallet, up popped another mole: Providing total tax relief for 90 percent of Idaho's businesses - those with no more than \$100,000 of personal property in each of Idaho's 44 counties - is getting cheaper. At first, the price tag was \$21.5 million. Now it's down to only \$18.7 million.

Whack, whack.

Next up are these moles, courtesy of separate studies by StateImpact Idaho and the Idaho Center for Fiscal Policy:

- Under the \$100,000 tax relief cap - a law now on the books but not yet triggered - 47,451 Idaho businesses would pay no personal property tax. The cost: \$9.8 million. The average savings: \$208.
- IACI's ploy would cut taxes another \$122 million and split it among 5,775 companies - in addition to the \$8.8 million those companies would get from the current law when triggered.
- As previously noted on this page, a good deal of the relief - more than \$30 million - would go to regulated utilities such as Idaho Power and Avista.
- Due to the complexity of the local tax data - collected separately by 44 counties - there is no statewide tally for other corporations operating in multiple counties. But here are some local illustrations:

In Ada County, Micron would save \$2.9 million and Albertsons would pay \$1 million less.

In Bannock County, Heinz would pay \$746,916 less.

In Bonneville County, Integrow Malt's savings come to nearly \$732,000.

J.R. Simplot's Canyon County holdings would be spared \$713,714 in taxes.

- Idaho communities would be transferring a huge amount of their tax bases to a select few. The 10 largest companies in five counties - Caribou, Clark, Custer, Lincoln and Power - will divvy up more than 90 percent of the savings.

Want to watch IACI play Whac-A-Mole in Nez Perce County?

Extending total personal property tax relief to 1,491 of the county's 1,701 enterprises would cost \$425,000.

Whack.

If IACI's total repeal package goes through, Nez Perce County, its cities and schools would forfeit \$4.9 million - 68 percent of which would flow to just 10 firms.

Clearwater Paper alone would take \$2.5 million, followed by Ammunition Accessories Inc. at \$401,115 and the Tribune Publishing Co., with \$120,544.

Whack.

Now that we know who is getting this monster of a tax break, who's going to pay for it?

Whack.

If corporate Idaho is determined to strip mine the tax base, who is looking out for Main Street?

Whack. Whack. Whack. - M.T.