

VOICE OF THE LEFT

Glenn R. Swift
August, 2006

No to the Paris Hilton Tax Cut!!!

Once again...another tax-cut for the wealthy.

You would think that the US Treasury was awash in cash. Here we are with monstrous deficits and a costly war with no end in sight, and the rich and powerful right-wing is trying to pull the wool over the eyes of the American people with yet another tax cut. Chalk up another for the Republican leadership in their endless quest for unabashed self-interest. This joke is getting old.

OK...Let's get down to the nitty gritty. Why do I oppose the repeal of the estate tax? Well...I've got a trillion reasons. Yes, that's how much one study by United for a Fair Economy says that repealing the current Federal estate tax would cost the US Treasury in just the first ten years. Personally, I think we have higher priorities than to line the pockets of the rich. Like what? For starters, Social Security, Medicare, Medicaid, Education, and the Environment all quickly come to mind. Are these not family values?

We live in a society in which the economic rules are strongly tilted in favor of the haves at the expense of the have-nots and where tax laws give generous loopholes to the wealthiest among us. And why should the wealth of the very rich be taxed before being passed on to their heirs? *Because the lion's share of the appreciated value of these assets has never been taxed.*

So who pays this tax? *According to the General Accounting Office statistics for 2004 (the most recent year available) a mere .27% of all estates paid any tax at all!* In other words, 99.73% of Americans passed 100% of their wealth to their heirs without paying a penny in estate taxes.

You probably already know where Bill O'Reilly and Sean Hannity stand on this issue. But here's what nationally-renowned tax attorney and former IRS Commissioner Sheldon Cohen had to say. "The estate tax has been with us for 90 years, brings in fairly large amounts of revenue at fairly low cost, and affects less than 1/3 of one percent of the population." Despite the spin by the Republican/Corporate media, most Americans agree with Mr. Cohen.

A recent poll conducted by Penn, Schoen & Berland Associates, Inc. taken this past February showed that just 23% of Americans favored repealing the tax. So who besides the Republican Party leadership is behind this drive to repeal the estate tax? The multimillion-dollar lobbying effort has been led and financed by 18 super-wealthy families, according to a recently released report by Public Citizen at a press conference in Washington D.C. These 18 families are worth an estimated \$185.5 billion and have spent

millions over the last ten years in a move that could potentially net them a windfall of \$71.6 billion. And oh by the way, the group includes the good ole-fashioned Walton family of Wal-Mart fame. (Yes Alice, there is a high cost for “everyday low prices.”)

Maybe America’s largest retailer will start providing quality benefits for its workers if the estate tax is repealed right? Ha Ha Ha! Some gratitude for all that cheap sweat labor from which they profit so handsomely. Well, I don’t know about you, but I liked the Waltons on TV a lot better.

As for why you haven’t heard anything about these powerful 18 families in their “noble” crusade (even on “fair and balanced” Fox News), that’s easy. They’ve sought to keep their activities anonymous by using a massive coalition of business and trade organizations to represent them. These bought-off lackeys have engaged in a massive propaganda blitz to convince Americans that the estate tax affects most Americans and is wiping out small businesses all over the land. (I don’t know this for sure, but I think these guys might also be members of the Flat Earth Society.)

My message is clear. Progressives must stand firm and demand that this tax be paid as an appropriate vehicle for the wealthy to give back to society and create opportunities for less fortunate Americans.