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Former judge touts income tax

McCown's rulings fathered 'Robin Hood'

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AUSTIN — Former Judge E. Scott McCown, best known for court rulings that led to the state's current school finance system, said Friday the only solution to the school funding crunch is a statewide income tax.

Now executive director of the Center for Public Policy Priorities, McCown laid out the fundamental problem now facing policymakers — a system too reliant on local property taxes that does not allow for sufficient growth in revenue.

More state aid is needed to pay for public schools, he said, and many taxing ideas, such as expanding the sales tax or closing franchise tax loopholes, will not dramatically relieve the burden on property taxes, he said.

"The income tax is the solution," McCown said, speaking to reporters at a conference held jointly by CPPP, which advocates for low-income Texans, and the Equity Center, which represents poor and mid-wealth school districts.

Asked if pushing for an income tax were politically feasible at a time when the state's Republican leadership has

pledged no new taxes, he compared it to trying to get ketchup out of a bottle.

"You keep hitting that bottle of ketchup," he said, "and the difference between no ketchup coming out and having it all over your plate is a split second."

The idea met with disapproval from the Texas Public Policy Foundation, which promotes less government spending. Spokesman Michael Sullivan said an income tax is the worst way to fund government, and "it hurts people the most ... at the lower end of the economic scale."

McCown acknowledged that it is a regressive tax, but said it was not as regressive as a sales tax and would raise much more in revenue. Using 2000 figures, CPPP tabulations show that if the income tax used in Kansas were implemented in Texas, it would raise \$36 billion over two years.

The current school funding system was put in place in 1993. Largely influenced by McCown's decisions as a state district judge, it has almost run its course.

It places a cap on school property taxes, and an increasing number of school districts are reaching the cap, thereby restricting their revenue stream and preventing them from keeping up with rising costs and enrollment growth.

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