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A deal is a deal — this tax should die

Growing up in the small, rural town of Glen Rose, Texas, my mom and I used to make deals. If I did my part — keeping my room clean, helping with the dishes, taking out the trash — once a week she would load my sisters and me in the car for a trip to the Dairy Queen and a dipped cone, fulfilling her end of the deal. It taught me a lot, not the least of which was the importance of striking agreements and sticking to them.

And no matter how busy she was, running a small business and taking care of three small children on her own, she always did as she promised and produced those chocolate-dipped ice cream cones.

Too bad our government doesn't always work that way. We all know the stories about our federal taxes: the Spanish-American War ended a century ago, but the tax to fund it survived all the combatants — and many of their descendants.

Talkin' Texas

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Texas is now headed in the same direction. The Telecommunications Infrastructure Fund was created in 1995 primarily to hard-wire public schools, universities, libraries and public hospitals to the Internet. A tax was assessed on telecommunications companies doing business in Texas to fund TIF.

Some companies passed the tax directly on to consumers; others absorbed it as a cost of doing business — which of course always ends up being paid by consumers, shareholders or employees anyway.

The 1995 law required this tax to be leveled until the fund received \$1.5 billion. Well, the till is almost full, and the terms of the agreement soon will be fulfilled by the telecommunications industry. And so the time has come for the tax to go away. The purpose has been achieved. The need no longer exists. A deal is a deal.

Unfortunately, the Texas Legislature is considering an extension of the tax. And they want to use it for other purposes.

One can argue about whether state government should even have done such a thing, or if the purpose was noble or problematic. The fact remains that it was done. By most accounts, it was also done well. Internet connections are now abundant and, where still lacking, the fund has the money to make good on the original intent.

In the real world, the tax would go away. But in the world of politics, it is a truism that taxes never die, government just finds new ways to spend the money.

But this goes beyond extending the reach of a tax; it is a violation of both legislative trust and existing law. A commitment was made, in law, that the tax would be assessed until a certain amount had been collected. The commitment was further made, in law, that funds would be used for a particular purpose. The telecommunications industry agreed to the tax and upheld its end of the bargain.

And it will be paid, in full. The rules of the game were clearly understood.

Too bad legislators now

want to change those rules. When kids change the rules of their games, we call them poor sports. When businesses change the rules on customers, we call it criminal. Not always so with government.

Let the TIF tax be seen to its legal conclusion. If legislators want a new source of revenue for a new program or initiative, then let them go back to the drawing board and begin again. However, that may not be done here, probably because it is easier to extend an old tax than to get approval for a new one.

If the TIF tax is extended, the Legislature will only prove again that politicians cannot be trusted to keep their word — even when set in law.

This TIF tax debate should be a reminder to us all: If old Texas taxes won't die, we must be exceedingly careful about implementing them in the first place. Another reminder: Unfortunately, when dealing with government, a deal isn't always a deal.

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