

- ➔ CLASSIFIEDS
- ➔ WACOTRIB CARS
- ➔ REAL ESTATE
- ➔ EMPLOYMENT
- ➔ MERCHANDISE



OPINION

[Editorials](#) | [Letters to the Editor](#) | [Archives](#)

Cigarette tax only good in eye of blind beholder

Thursday, May 04, 2006

AUSTIN — In *The Screwtape Letters* by C.S. Lewis, Screwtape says the last thing a demon should do is use logical argumentation, since it can too easily lead to doing the right thing. Instead, he urges another demon to take advantage of the fact that “your man has been accustomed, ever since he was a boy, to having a dozen incompatible philosophies dancing about together inside his head.”

A recent example of this is the complaint that the billion-dollar per year net tax cut proposed by Governor Perry’s tax commission does too much for the rich — and too little for the poor. An analysis by the Legislative Budget Board, however, shows that low-income taxpayers only see their taxes rise due to increased tobacco taxes. Without the cigarette tax, every income group would see a tax decrease.

This analysis makes plain that low-income Texans, for whatever reason, use tobacco more heavily than others. Not so plain, but still obvious, is the fact that the expense of the tobacco settlement, in which tobacco companies agreed several years ago to dump billions of dollars into state coffers, falls squarely on the shoulders of low-income Texans.

The advocates for the poor who are now complaining about the distribution of a tax cut — due to the tobacco tax — were pleased when the tobacco settlement was reached. Of course, it was obvious that the cost of the tobacco settlement would be passed on to tobacco consumers, so the poor would be hit hardest. But yet the left loudly lauded that hidden cost.

So which is it? Are we to favor increased costs passed on to the poor, vis-à-vis the cigarette settlement forced by government? Or are we to oppose increased costs passed on to the poor, vis-à-vis the cigarette taxes? In one, the poor know who is taking their money; in the other, it is less obvious. But either way, the money flows to government coffers.

It is incompatible to praise increased costs passed on to the poor on one hand, while criticizing increased costs passed on to the poor on the other.

Of course, no matter how “progressive” or “regressive” a tax might be, those with high incomes generally pay (from dollars they would have otherwise spent or invested) the lion’s share of it. But the cost, the weight, is borne inevitably by the poor — through the snowball of lost jobs, lost income, lost opportunities.

This is as true of the supposedly regressive sales tax as it is of the supposedly progressive income tax. Since taxes are based on percentages, it is mathematically inevitable that those with higher incomes will get the bulk of a tax cut, by some measure. Only a repeal of the laws of nature could make it otherwise.

So a tax cut will always be condemned by big-government advocates as favoring the rich. Never mind that it is individual wealth that creates jobs and opportunities, not government largesse.

Advocates for big government count on us, but especially the poor, to have trouble with logic and simple math, but all Texans have the common sense to see through the contradictions. The truth is that tax cuts are good for the economy, and thus good for everyone. Conversely, increased taxes (whether through backroom court settlements or visible levies) should be avoided.

The policies that create the most freedom, the policies that free the market place, are the policies that raise the standard of living for us all and should be encouraged.

For its advocates, the ideology of big government makes all arguments valid, contradictory or not — a

Advertisement

wacotrib TOP JOBS

ADMINISTRATOR LAN ADMINISTRATOR
Needed to work with team providing Windows... [\(more\)](#)

APPLIANCE TECHNICIAN needed. Apply @ 4881 Orchard Ln., Waco, TX. 76705 or f... [\(more\)](#)

GENERAL OFFICE ASSISTANT Little League Baseball Incorporated is seeking a... [\(more\)](#)

DRIVERS Coastal Transport, Quarterly Safety bonus. Be Home Daily. Deliver... [\(more\)](#)

MECHANIC- Motorcycle, ATV & JET SKI Technician is needed. Base... [\(more\)](#)

GENERAL- N-LINE Traffic Maintenance has immediate openings for work... [\(more\)](#)

MEDICAL CNA - FT PT, all shifts. Apply in person @ Care Inn of Waco. 5900... [\(more\)](#)

NIGHTCLUB - Help Needed. Waitstaff. Apply in person, Mon-Fri, 1-4 only... [\(more\)](#)

MOLD BUILDERS, Wood mold builders needed. New company to Hillsboro paying... [\(more\)](#)

DRYWALL, Commercial drywall mechanics and helpers for local project. Must h... [\(more\)](#)

wacotrib TOP CARS

GMC ENVOY 4X4 2004. 4.2, 6 CYL., AUTOMATIC, FUEL INJECTED, BLACK, POWER DOO... [\(more\)](#)

HYUNDAI ELANTRA 2005. 2.0, 4 CYL., AUTOMATIC, FUEL INJECTED, GOLD, POWER WI... [\(more\)](#)

JEEP GRAND CHEROKEE 2006. 3.7, 6 CYL., AUTOMATIC, FUEL INJECTED, WHITE, POW... [\(more\)](#)

CHEVROLET 1500 SILVERADO LT 2006. 4.3, 6 CYL., AUTOMATIC, FUEL INJECTED, BL... [\(more\)](#)

FORD F-150 2003. 4.2, 6 CYL., AUTOMATIC, SEQUENTIAL-PORT F.I., BLACK, AM/FM... [\(more\)](#)

DODGE RAM 1500 2003. 4.7, 8 CYL., AUTOMATIC, FUEL INJECTED, SILVER, AM/FM S... [\(more\)](#)

CHRYSLER 300 2006. 2.7, 6 CYL., AUTOMATIC, FUEL INJECTED, Green, POWER STEE... [\(more\)](#)

FORD EXPEDITION EDDIE BAUER 2005. 5.4, 8 CYL., AUTOMATIC, FUEL INJECTED, MA... [\(more\)](#)

DODGE GRAND CARAVAN SE 2005. 3.3, 6 CYL., AUTOMATIC, FUEL INJECTED, WHITE, [\(more\)](#)

PONTIAC FIREBIRD 2000. 3.8, V-6, AUTOMATIC, SEQUENTIAL-POR F.I., Bright Si... [\(more\)](#)

[-View All Top Cars-](#)
[-Place an Ad-](#)

sure recipe for mischief. On the other hand, low taxes, transparency, free markets, limited government, liberty and personal responsibility: these are compatible, and beneficial, philosophies.

Byron Schломach, Ph.D., is the chief economist for the Texas Public Policy Foundation, an Austin-based research institute.

[Return to Top](#)

[Email this page to a friend](#)

Ads by Google
Training: Sales & Use Tax Online & Onsite courses available View free demo and course info www.alliancetac.com
Buy Foreclosures Honestly Wed, May 10, 6pm PDT Expert Call Live Webinar Call. Sign Up Now! www.Foreclosures.com
NY Sales Tax Consultants Expert Sales, Use & Transaction Tax Advisors from Wall Street OlivierAndAssociates.com

Cox Newspapers, L.P. - [The Waco Tribune-Herald](#) - [Our Partners](#)

By using this service, you accept the terms of our [visitor agreement](#) and [privacy policy](#).
Registered site users, you may [edit your profile](#).
Having trouble? Visit our [help & FAQ](#).

