



Governor finding some easy targets

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It's been said that while the government may hate the sin, it loves the sin tax.

Apparently the administration of Gov. Bev Perdue feels quite at home with that axiom.

Perdue on Tuesday proposed an increase in North Carolina's cigarette tax of \$1 per pack. She also proposed a 5 percent surcharge on alcohol sales. The two taxes are expected to bring in \$507.9 million in 2009-10 and \$677.1 million 2010-11.

Perhaps the governor's office doesn't understand that a recession is a bad time to raise taxes. During a recession, consumers don't need to have their disposable income taken away from them by the government.

Industry advocates have wasted no time letting lawmakers and the public know the potential hazards of raising taxes at this time.

Reynolds American, the parent company of R.J. Reynolds Tobacco, says that the governor's tax proposal puts 50,000 tobacco-related jobs in North Carolina at risk.

The Distilled Spirits Council of the United States says that the tax increases could destroy 1,500 jobs in the hospitality industry in North Carolina.

The N.C. Beer and Wine Wholesalers Association says that when the federal government increased beer taxes in the early 1990s, beer wholesalers felt the pinch up to 24 months of the tax being implemented.

Perdue said one reason she picked alcohol and tobacco tax increases was that they involved discretionary spending.

Doesn't she realize that the "discretionary spending" of one person represents a job for another person? The waiter, the bartender and the truck driver working for the distributor might not have a job if people have to lower their discretionary spending in order to pay these new taxes, should they be enacted into law.

We also have a problem with the governor using the tax code as a means of trying to wield control over human behavior. Perdue has let it be known that one reason she wants to increase the cigarette tax is to discourage children from smoking.

"To keep kids from smoking, you've got to increase the prices," Perdue said at a press conference on Tuesday.

No one can argue the health benefits that accrue from not smoking, and no one wants to see children addicted to cigarettes or even use them.

But using the taxing power of government to control human behavior is also deplorable. Government's power to tax should be for one purpose, and one purpose only: to pay for the legitimate expenses of government.

John Marshall once said, "The power to tax is the power to destroy."

We don't need to destroy jobs in North Carolina. And we certainly don't need to impede efforts to revive our economy.

We hope that members of the General Assembly, when they write the state budget, will choose not to tax - and therefore choose not to destroy.