



Editorial: Lawmakers won't let go of grocery tax

By Press-Register Editorial Board

April 02, 2010, 5:48AM

YOU NEVER know what will pop out of the mouth of one of our Alabama legislators.

During debate in the House on the annual effort to remove the state's 4 percent sales tax on groceries, Rep. Mac Gipson, a Republican from Prattville, apparently got confused and thought he was dealing with some big tax-and-spend bill in Washington, D.C.

Alabama and Mississippi are the only states that fully tax food, with no credits or rebates for impoverished families. State legislators everywhere else in the country have decided that taxing groceries unfairly penalizes families that use a high percentage of their meager incomes to purchase food.

Rep. Gipson, however, thinks that giving the poor a break on the food tax and replacing the revenue by taking a tax break away from the well-to-do is a Washington, D.C.-style strategy to redistribute wealth.

"The whole bill is a redistribution of wealth," he said. "Washington is doing such a good job of that I don't know that we need to get involved with that."

He was referring to a bill written by Rep. John Knight, D-Montgomery. Rep. Knight wants to let Alabamians vote on a constitutional amendment that would drop the sales tax on groceries — for everyone — and replace the lost revenue by eliminating a state tax deduction for individuals with annual incomes of at least \$150,000 and couples with incomes of more than \$300,000.

Alabama has a regressive tax system that takes wealth from the poor and uses it to fund state services. In most state capitals, this is considered unfair and unproductive, because it hinders low-income families' efforts to rise from the bottom and achieve economic security.

Rep. Gipson evidently believes that reducing the tax burden on those who can least afford to pay is a socialist share-the-wealth scheme. We wonder whether this champion of the unfettered free market ever supported a tax break or subsidy for businesses or agricultural interests. If so, he really doesn't mind redistributing the state's tax burden, as long as the redistribution serves his favorite interests.

Rep. Knight's argument for change is much better than Rep. Gipson's strained defense of the status quo. Alabama's upside-down structure is indefensible; it hurts the poor and it denies state government dependable revenue streams.

But that doesn't mean the Legislature will approve Rep. Knight's bill, or do anything to reform the tax structure. It appears most lawmakers would rather have a regressive tax system than a balanced, reliable one.