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State grocery tax unfair, regressive

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There are only a few working days remaining in the current legislative session, but there is still time for lawmakers to remove the state's unfair and regressive sales tax on groceries.

Rep. John Knight, D-Montgomery, has championed the cause of removing the sales tax for a decade, but has never managed to get it approved by both the House and Senate. The House Education Appropriations Committee approved the measure on a voice vote last week and it could come up before the full House this week.

Knight admits it will be a close vote in the House, but it shouldn't be. This legislation would not remove the sales tax, but only give Alabamians a chance to vote the measure up or down in a referendum on the Nov. 2 general election ballot.

While the proposal would raise taxes on some Alabamians, it would lower them for a strong majority of taxpayers.

Best of all, it would help the large majority of taxpayers by making what they spend at the state's grocery stores go further.

If approved by the voters, the legislation would remove the state's 4 percent sales tax on all groceries. That alone would reduce the state's revenues by about \$400 million annually, which clearly is revenue the state's public education could not afford to lose. (Local taxes on food would not be affected by the proposal.)

Alabama Arise, a lobbying group for the poor, estimates a typical Alabama family would save about \$100 per family member over the course of the year. That would be a major help for the state's working poor in getting through these tough economic times.

As proposed, the amendment essentially would be revenue-neutral, with the changes in the sales tax and the income tax deductions offsetting one another.

Alabama and Mississippi are the last remaining states that tax groceries at the same rate as other goods.

A tax on groceries is an unfair tax, which is why most states either don't do it or allow a tax credit for it. The Legislature should give the public a chance to vote on this proposal.