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Kent Miller, Ray Bellamy: Let's stop and look at takers and givers

By: Kent S. Miller and Ray Bellamy - September 23, 2013

Gov. Rick Scott recently made a five-city tax cut tour (also known as a re-election campaign), seeking advice on who should get his proposed \$500 million in tax breaks. Our guess is that he already has some ideas of who is most deserving, but we pass along these thoughts anyhow.

First, a little background. In the 2008 election, Mitt Romney talked about “takers” and “givers,” concepts still much in vogue. Takers (47 percent of the people, according to Romney) are lazy, pay no federal taxes, thrive in a culture of dependency on various welfare programs and refuse to take responsibility for their lives. Givers take responsibility for their lives, are patriotic, create jobs, lift themselves by their bootstraps, etc.

Never mind that, in large part, the “takers” consist of the working poor, elderly, retired and disabled. Fifteen percent of our households are “food insecure.” Sixty-one percent of the takers pay payroll taxes (15.9 percent of their pay, contrasted with 13.9 percent by Romney). And contrary to the beliefs of many, we are not among the most generous of nations. A study by the CATO Institute reveals that, among the 33 countries in the Organization for Economic Cooperation and Development, only two rank below us in the share of economic output devoted to helping poor families make ends meet.

It is clear that the real takers are the corporations. Search corporate welfare in Florida, and stand back from the deluge. Tens of millions of dollars go to Embrear Aircraft Holding, Boeing, big sugar, gas, oil, sports stadiums and big agriculture, with the deals most often cut behind the scenes. The corporate welfare comes in the form of crop insurance, income tax credits, cash grants, guaranteed loans, etc. (The *Tampa Bay Times* puts Florida’s contribution at \$4 billion.)

All of this comes in the name of economic stimulation and jobs creation. An investigation by the *Tampa Bay Times* and *Miami Herald* found that, since 1995, only one-third of the promised jobs in Florida had been filled. Frequently there is no attempt to even measure for new jobs and no empirical base for saying that any new jobs evolved as a consequence of the incentives. In the face of this reality, Scott continues to tout his promise to create 700,000 jobs.

On his tour, Gov. Scott met with a group of Tampa businesspeople who praised him for cutting business taxes and asked for more. The *Tampa Tribune* reported that posters and comments from his staff included the following: cuts from the state’s corporate income tax (most Florida corporations pay none because of exempt income), a cut in taxes on corporate power bills, and a cut in the 6-percent sales tax on leases of commercial property.

Enough already. We know who the takers are. And in this time of steadily increasing economic inequality in our state and nation, a strong argument can be made against even more corporate welfare. Any projected surplus could be better devoted to repairing the social network and investing in some of the institutions that have suffered from cuts over the last seven or eight years: education, environment, health care, incarceration rate, infrastructure, etc.