

The Locker Room

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[Cato's Tanner examines the fixation with Romney's taxes](#)

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[Michael Tanner](#) of the Cato Institute devotes his latest National Review Online [column](#) to the debate over the release of Republican presidential candidate Mitt Romney's tax records.

One endlessly repeated commercial points out that Romney paid only 13.9 percent of his income in taxes in 2010, "probably less than you." That ad is misleading on several levels.

First, unless your household was earning more than \$189,400 per year, it is unlikely that you are paying a higher federal income-tax rate than Romney. According to the Congressional Budget Office, the average middle-income American pays an effective federal income-tax rate of 1.3 percent. Recall that half of Americans pay no federal income tax at all. And, second, about two-thirds of Romney's income had already been taxed at the corporate level. While a precise estimate is impossible because of variations in corporate-tax payments, if one assumes an average effective corporate rate of roughly 25 percent, Romney's real federal income-tax rate was closer to 30 percent.

But perhaps more important, Romney also donated an additional 13.8 percent of his income to charity, nearly \$3 million. When the Romney campaign mentioned this a couple of weeks ago, Democrats were quick to dismiss it as substantively different from and less important than paying taxes. In fact, some suggested that such large charitable contributions might actually be a form of tax evasion, since they were tax-deductible. By helping people on his own, Romney was undermining government charity. "Charity is not democracy," complained Garrett Gruener, who helped found Patriotic Millionaires for Fiscal Strength, a pro-tax group.

At the same time, the Obama administration was upset that Americans still resisted turning to government programs when they hit hard times. Responding to a poll showing

that most Americans were far more likely to rely on family, personal savings, or other forms of aid than on government, the Obama administration hastened to put out word that “given that only 15 percent of you turn to government assistance in tough times, we want you to know about the benefits that could help you,” according to USA.gov’s “government made easy” website.