



Governor Jindal's Bold Plan to Abolish Louisiana's Income Tax

By: Daniel J. Mitchell January 15, 2013

I'm a big fan of the flat tax as a way of neutering the punitive and convoluted internal revenue code in Washington.

But I'm even more aggressive at the state level.

That's why I'm very excited about a new proposal from Governor Bobby Jindal of Louisiana.

He's already implemented some good school choice reform, notwithstanding wretched and predictable opposition from the state's teachers' union.

Now he wants to get rid of the state's personal and corporate income taxes.

This would be a big and bold step, and I shared some evidence recently showing that states with no income tax grow faster and create more jobs.

I also discussed Jindal's proposal last week on Fox Business News.

Some people probably think Jindal is pushing this agenda merely because he may run for President in 2016.

My attitude is "so what?"

So long as he implements better policy, I don't care if he's motivated by a Ouija board.

But since he has a reputation for being a policy wonk, I suspect his motivations are to make Louisiana a more prosperous state.

And if bold reform also happens to increase his national stature, I'm sure he's more than happy to reap any political benefits.

If he succeeds, Louisiana will enjoy more growth.

Equally important, as I stated in the interview, his success would show that Obama's class-warfare agenda may have some appeal in basket-case states such as California, but it doesn't have much support among people who understand that growth is the only effective (and moral) way of achieving a better life.

Americans Realize Washington Is the Problem, Support Cap to Control Spending.

I periodically share polling data, in part because such information tells us what people think, but also because this type of research warns us where we need to focus our educational efforts and also gives us guidance on better ways to frame our message.

In recent months, for instance, I've gleefully noted that voters disagree with Paul Krugman on the economic impact of government spending.

But I also was shocked to see another poll that found French and Italians were more supportive of spending cuts than Americans.

Here's some new polling data that seems very encouraging. Americans, by an overwhelming margin, think that Washington is causing serious harm to the nation.

But it's important to look at this data dispassionately.

Maybe people merely object to gridlock, meaning that it would be a mistake to interpret these results as being a reflection of widespread libertarian sentiment.

So it's important that advocates of freedom build upon these polling results to educate people about the risks of giving more money and power to a dysfunctional town.

The good news is that we do see significant skepticism about policies to expand the size and scope of the federal government.

I recently shared some data showing that most Americans wisely suspect that higher taxes would result in bigger government rather than less red ink.

I also found similar results in a Reason poll from 2011.

That same poll also found strong support for a limit on federal spending, which warms my heart since I've been trying to build support for a Swiss-style spending cap in America.

Here are some other encouraging pieces of polling data.

- More than two-to-one support for personal retirement accounts.
- Recognition that big government is the greatest danger to America's future.
- An increasingly negative view of the federal government.
- More than eight-to-one support for less spending rather than higher taxes.
- Strong support for bureaucrat layoffs and/or entitlement reforms instead of higher taxes.
- Three-fourths of voters think the top tax rate should be no higher than 30 percent.
- And my favorite poll results are the ones showing that voters understand that the goal is less spending, not lower deficits.

But let me close by stating that our goal is to preserve the freedom we have and restore the liberties that we have lost.

Public opinion data is useful in that it tells us how people think and suggests ways to frame our message.

But it should never cause us to change our principles.