THE DAILY PRESS

Date: Friday, April 24, 2015
Location: ST. MARYS, PA
Circulation (DMA): 4,244 (98)
Type (Frequency): Newspaper (D)
Page: 4
Section: Main
Keyword: Ben Cohen

Guest Commentary

No Tax Cuts For the 0.2 Percent

Good grief Congress. Are you really going to give another tax break to those of us who need it least?

Yes, we're witty and created a successful global brand. Yes, we're handsome and in demand for selfie shots at malls and village squares around the country. And yes, we're wealthy, thanks to the good fortune of our efforts – but also because of many other societal factors that contributed to our wealth.

But these are not good reasons for the Tax Cut Nutters in Congress to abolish the estate tax, a levy paid exclusively by multi-millionaires and billionaires. The House voted on April 16 to repeal the estate tax, which has been in place for a century to prevent the U.S. from developing an aristocracy. In late March, the Senate took a non-binding 54-46 vote, basically along party lines, to deep six the tax. It may soon be up for a real vote in that chamber.

OK, who really pays the estate tax? Obviously, a lot of wealthy campaign contributors. Who else could get anything to pass in this pay-to-play Congress?

To be eligible for the estate tax, you need to have an estate worth at least $5.4 million or $10.8 million for a couple. It's a fortunate and small club of roughly one out of 500 taxpayers.

And what's the possible payout? According to the Joint Tax Committee, estate tax repeal will provide an average tax cut of $3 million to those worthy of the estate tax. For those with estates over $50 million, the tax cut will be a mind-altering $20 million.

Really? Have you been spending a lot of time in Colorado, or that other Washington?

Have you noticed that we have become the most unequal advanced industrialized country in the world? The richest 0.1 percent now has as much wealth as the bottom 90 percent of the population combined.

Pretty soon protesters are going to fill the streets with signs saying, "We are the 99.9 percent!"

Warren Buffett once said that repealing the estate would "be a terrible mistake," the equivalent of "choosing the 2020 Olympic team by picking the eldest sons of the gold-medal winners in the 2000 Olympics."

Buffett went on to say, "Without the estate tax, you in effect will have an aristocracy of wealth, which means you pass down the ability to command the resources of the nation based on heredity rather than merit."

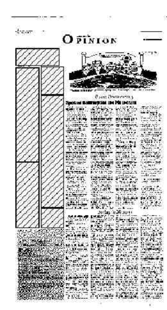
Now, we're not claiming to be Warren Buffett nor Olympians. But repealing the estate tax – allowing unlimited inheritances to the next generation – is akin to picking the 2035 crop of ice cream entrepreneurs from among our progeny. There's a scary idea.

Instead of abolishing the estate tax and pandering to billionaire campaign contributors, lawmakers should get back to the people's business. Wages have been stagnant for decades. Young people are carrying around anvils on their backs called student debt. Our public infrastructure is falling apart.

The success of our business depends on having prosperous customers. If our customers are hurting, then we are hurting. It is not in our business interest to allow this polarization of income and wealth to continue.

We started our enterprise with help from two state universities, the Small Business Administration, and a Federal Urban Development Action Grant – all paid for by a previous generation of taxpayers. Our company thrived thanks in part to scientific advances in agriculture, public roads and other infrastructure, intellectual property protections, and a regulated marketplace where we could raise capital and ensure the quality of our ingredients. Someone else paid for these public systems that enabled our business to prosper.

Retaining the estate tax is one of the ways that the wealthy pay forward so the next generation has the same opportunities we had.



© 2015 DAILY PRESS
All Rights Reserved.

Account: 8126 (8136)
PA-483

For reprints or rights, please contact the publisher

THE DAILY PRESS
Date: Friday, April 24, 2015
Location: ST. MARYS, PA
Circulation (DMA): 4,244 (98)
Type (Frequency): Newspaper (D)
Page: 4
Section: Main
Keyword: Ben Cohen

For the sake of the next generation, do not repeal the estate tax.

–

Ben Cohen and Jerry Greenfield are the co-founders of Ben & Jerry's. A version of this op-ed previously appeared in USA Today.

© 2015 DAILY PRESS
All Rights Reserved.

Account: 8126 (8136)
PA-483
For reprints or rights, please contact the publisher