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"Beyond winning and losing in the tax reform debate"

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When listening to the radio or television news in another room, sometimes it takes a minute to know whether the topic is politics or sports. You may hear phrases like: Who will win the debate? What will be the victory margin? Whose pocketbook is a winner?

It's clear whose wallets are helped by the tax reform plan put forward by President Donald Trump and the GOP majority in the U.S. House and Senate, but we shred our national fabric if we do not get beyond our Super Bowl mentality in discussing tax and budget issues. Public policy reveals our deepest values and has profound moral implications.

According to a Nov. 6 analysis of the tax reform proposal conducted by the Institute on Taxation and Economic Policy, or ITEP, the richest 20 percent of Missourians receive 68 percent of the plan's tax cuts. But the richest 1 percent - those with average incomes of over \$1.6 million annually - do especially well. They receive 29 percent of the tax cuts, an average of \$41,870 in tax savings in 2018 alone. They are the financial "winners" because the most significant parts of the tax reform plan - reducing personal income tax rates, reducing income tax rate for corporations and businesses that are mostly owned by the wealthy, and repealing the estate tax - all benefit the richest households more than others.

But a lot is hidden when we frame the tax changes in win-loss terms. The 40 percent of Missouri households with annual incomes of less than \$33,000 in that same ITEP data have little to no discretionary income and often are housing and food insecure.

The U.S. Census Bureau released new data in September 2017 that shows our state poverty rate declined to 14.0 percent in 2016, down from 14.8 percent in 2015 and 15.5 percent in 2014. Empower Missouri and the Coalition on Human Need analyze this carefully in the "Poverty and Progress" report we co-released on Nov. 6. Still we are not yet back to the poverty rates we saw in 2007 before the Great Recession.

Some Missourians were raised out of official poverty by an increase in incomes and jobs, but hundreds of thousands of Missourians received a crucial lift from federal programs. Housing assistance, the Supplemental Nutrition Assistance Program, (SNAP, formerly known as food stamps), low-income tax credits, assistance for people with disabilities and other programs raise many out of official poverty and reduce suffering among the near poor by enabling greater access to basic human needs.

You will hear that we "lost the War on Poverty," more winner-loser language, but this is not true. Researchers from the Columbia Population Research Center and the Center on Poverty and Social Policy at Columbia University use a tool call the Supplemental Poverty Measure to look at income, food, housing and other federal aid, adjusting their calculations for changes to costs of living and different housing situations. Their report looking at the past half century and more intensively at the period 1976-2014 found that poverty has actually decreased by more than one-third since 1967. In Missouri, the poverty rate would have been 14.0 percentage points higher in 2014, child poverty would have been 9.1 percentage points higher, and poverty among the elderly would have been

41.0 percentage points higher in 2014 without government programs.

Yet the Trump-majority party tax reform, benefiting the wealthiest families, is paid for by cuts to these successful anti-poverty programs. The House and Senate joint Fiscal Year 2018 Budget Resolution calls for about \$5 trillion in cuts through 2027 Medicaid, Medicare, SNAP, Temporary Assistance for Needy Families, unemployment insurance, housing and other vital programs.

Most Americans know that slashing taxes for the wealthiest while cutting anti-poverty programs is morally wrong. Sixty-three percent believe that upper income people pay too little in taxes, according to a Gallup poll from April 2017. When asked about corporations in that same poll, 67 percent of Americans said they pay too little.

After all, corporations and the wealthy executives who own and manage them, depend on an educated work force, court systems, transportation infrastructure, public safety and other taxpayer supporter structures for business success. Yet the Trump-majority party plan would allow both corporations and high-income households to pay even less in taxes.

We can and must do better than this. Asking corporations and the wealthy to pay their fair share and investing in proven anti-poverty programs makes us all winners by producing a more healthy society and vibrant economy. It is time for every person of good will to advocate for a different tax reform and budget plan.

Jeanette Mott Oxford is executive director of Empower Missouri , a Missouri not-for-profit that advocates for the well-being of all Missourians through civic leadership, education and research. She served in the Missouri House of Representatives from 2005-2012.

Audience provided by Nielsen/NetRatings

Highlights: Jeanette Mott Oxford, When listening to the radio or, television news in another room, JEANETTE MOTT OXFORD