



## Jump off that cliff without me, Chris; but first stop the theft of our tax dollars

By Paul Mulshine/The Star Ledger

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Over at Politickernj, you can read **this speech** our governor gave to taxpayers in Haddon Heights just before his big budget speech.

Note this passage in which he alludes to various fiscal problems in the towns and states that "what the state's engaged in over the past 20 years is use of both state direct aid to K-12 school districts and state aid to municipalities and counties to paper over these problems to make the (missing word) a little more palatable for people."

This is simply untrue as regards Haddon Heights and most suburban towns.

Check the **New Jersey Schools report card**, and you will see that under Jon Corzine the town got almost no state aid, a mere 10 percent of the cost of its schools.

Low as that figure is, Christie is cutting it in half next year. In other words, the taxpayers of Haddon Heights will be getting almost no effective return on the tens of millions of income tax dollars they send to Trenton.

This is the problem, plain and simple. Suburban towns pay twice for property-tax relief.

Once in the income taxes that are dedicated entirely to property-tax relief but which go to Trenton and don't come back.

And again in their property taxes, which pay the local expenses that should be largely offset with their income taxes.

Note how Christie dodges that issue (by the way, this transcript has several missing words):

"So now you have a situation where last year's budget fully a third of the state's spending was done on just K-12 school aid, that's literally just collecting income taxes from all of you, and turning around and writing checks back out to school districts ...".

But this is exactly what the income tax was intended to do. The problem is some school districts, such as Asbury Park, get about \$30,000 per pupil in annual state aid and some, such as Haddon Heights get less than a thirtieth of that amount in state aid.

This is, of course, because of the state Supreme Court's takeover of property-tax relief funding in its Abbott decisions. And in the next paragraph the Governor does indeed allude to those decisions. But he totally distorts their impact:

"Now part of that is because of court rulings regarding Abbott school districts and the disproportion of funding that they've required from the state but the fact of the matter is that's what we've done. And we've done it to paper over the problem of increasing cost in our school systems and increasing costs in our municipalities."

Nonsense. The state has done nothing to "paper over" the tax problem in non-Abbott districts. Because of the state Supreme Court's Abbott ruling, the state has deprived these districts of their fair share of property-tax relief. And Christie is afraid to stand up to the court and get the suburbs' money back. That's why taxes are so high.

Well, that and the fact that the state has also loaded the towns down with mandates. One such mandate is the requirement for arbitration that push raises for public employees above the level of inflation. But Christie is in favor retaining that arbitration.

Note that absurdity: The Governor won't give you your fair share of property-tax relief. But he will require you to pay public employees whatever a state official deems appropriate.

We now come to the most dishonest part of the speech:

"So people are not only going out of business because of the recession, those who are staying in business many of them are leaving the state, to go to places like right across the river here in Pennsylvania, where the top income tax rate is 3%, rather than, nearly 11% under Gov. Corzine and now because the lapsing of one tax about 9% as our top rate."

Sounds good. But wasn't there a candidate in last year's Republican primary who advocated that we solve this problem by implementing a flat tax just under the 3 percent rate of Pennsylvania's flat tax? And didn't a certain other candidate engage in **blatant demagoguery** by insisting that such a flat tax would represent a tax hike for most New

Jerseyans? A quote from that Wall Street Journal editorial:

To the extent that Mr. Christie has deigned to discuss taxes at all, it's usually been to criticize the reform proposals of others. When his primary opponent suggested replacing the state's graduated income tax—the top marginal rate is nearly 11%—with a 2.98% flat tax, Mr. Christie denounced it as a tax hike on working families, even though the average family would see its annual tax bill decline by \$1,000.

And isn't Christie now insisting that those same families are moving to Pennsylvania to take advantage of that same flat tax he denounced?

By the way, make sure and read to the bottom of this speech where Christie repeats the worst metaphor in Jersey politics since Jon Corzine's flying pigs. And just what were those Bolivian soldiers doing **in Wyoming?**

I asked the mayors at league of municipalities last week in Trenton, I told them that this was like that part in Butch Cassidy and the Sun Dance kid, ever saw that movie? You remember when those Bolivian soldiers were chasing them? Right. And they got to the cliff, and they had a seminal decision to make. If we stay here, and do the same thing we've been doing, they're going to catch us, they're going to shoot us in the back and kill us, and for sure we're going to die. They looked over the cliff and they saw the water well down below. And they said, "if we jump we'll probably die," well, in my book, probably is better than certainly when it comes to death. And so what did they do? They held hands and they jumped off the cliff. And they landed in the water, and they landed fine. Off course, it's a bad analogy because they died later, but, that's just a whole other thing, we'll get back to that. Just stick with me to the point where they get in the water and they're alive, the rest of the part, you know, they kept doing the same bad things again, so we can work the analogy, but let's just stop at the water part; they lived.

We need to jump off the cliff together. Now, I'll jump first, I'll put my hands behind me, and I'll hope to feel some hands grabbing on as I go, but that's what you elected me to do. You elected me to do this.

All I can say is, you go first, Guv. And if you'll be kind enough to leave my income tax revenue in my town, we'll get along just swimmingly without you.

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