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Utah's heavy tax burden

Deseret Morning News editorial

We're guessing most Utahns weren't terribly surprised to learn last week that they carry the fourth-largest burden of state and local taxes in the nation. The news, from a study by the [Utah Taxpayers Association](#), probably confirmed their suspicions.

We're sure most Utahns also understand the state's unique circumstances. Utah ranks 16th in the nation in income taxes paid, all of which goes toward public education. And yet, Utah ranks 51st, counting the District of Columbia, in per-student spending for those public schools. The state has a lot of children. Quite correctly, it places a high value on large families. But this comes at a great cost.

And yet it must be acknowledged that, despite the state's red-hot economy, high taxes are a barrier to economic development. In the long term, Utah must find a way to lower its tax burden. There are a number of ways to do this, all hinging on real tax reform and more consistent prioritization.

First, education must remain a priority. A recent Utah Foundation report found that Utah is slipping in that regard. People here used to be taxed more per person than any other state for education, which deflected some of the arguments against that 51st ranking in spending. That's no longer the case.

But in order to fund education, the state needs real tax reform — the kind of all-encompassing effort that would restructure all revenue sources in a cohesive, logical and philosophically defensible fashion. Former Gov. Olene Walker came up with such a plan a few years ago. Politics quickly snuffed it. Now, state lawmakers and the governor have left \$70 million in tax cuts on the table because they couldn't agree on how to administer them. Neither is offering much more than a change in income tax rates and deductions. Real reform would cut across all forms of taxation and fees.

Local governments also take a large share of taxes, often for things that accomplish little. Cities along the Wasatch Front are in a frenzied battle with each other over retail, boondoggles such as a professional soccer stadium and things like recreation centers that compete with private business. In the end, they use tax incentives as a lure, costing their residents dearly and offering little return.

Tax reform must include a reconfiguration of sales tax distribution to end this madness.

