

# Voters can reject all 3 state tax plans

"I don't like any of these tax proposals," said the caller, "and I'm puzzled. Which one should I vote for?"

The answer is that you don't have to vote for any of the three tax proposals on the Nov. 4 ballot. You can vote against all three — A, C and D — if you wish.

That's the recommendation of the editorial board of this newspaper. Vote "no" on A, C and D.

Two of the proposals — A (Smith-Bullard) and C (the Coalition) — are essentially responses to D (Tisch), and D is essentially a reactionary provision for minority rule on taxes.

All three are extremely long, proposing to amend the Michigan Constitution by thousands of words. All three, as a Western Michigan University reading expert pointed out, are written too poorly for the

average citizen to figure out. All three are being sold with sloganeering and gimmickry.

Proposals A and C have good points. But again, they are so long and complex that their many fishhooks might be overlooked. The voter has no opportunity to pick and choose between the various sections.

The voter must vote "yes" or "no" on an entire

proposal. The voter must take it or leave it.

The editorial board has spent many dozens of hours listening to the proponents of each plan, reading lengthy analyses, talking to local officials, listening to economic decision makers and reading your letters.

And we conclude it would be best to say "no" to all three. Here's why:

## A Smith-Bullard unnecessary and a double tax shift

Proposal A, the Smith-Bullard plan, has been called a tax shift, not a tax cut. Actually, it would be a double tax shift.

First, it would eliminate property taxes on homes and farms for K-12 school operations and replace the lost local revenue with an increase in the state income tax of at least 1.2 percent — perhaps higher down the road.

Second, it would be a massive shifting of funds from the metropolitan areas to the rural parts of the state.

The economic fact of life is that it costs more to live in a metropolitan area, and wage scales are higher here. Our local schools must spend more per pupil than outstate schools.

Thus, the Smith-Bullard notion of "equalizing" educational funding is not only unnecessary, but it could wind up costing us more.

UNDER PROPOSAL A, property taxes on farms (the, shopping centers, offices and corporate headquarters) would be collected statewide — from Troy to Trumseh, from Livonia to Lathrup. That would spread metropolitan money across the state.

Property taxes would be eliminated not only on farm homesteads but on the entire food producing part of farms. So rural areas would get a big break and give up nothing in return. There would be no sharing.

To face the economic facts of life, we in the metropolitan area could have to vote "enrichment"

## C The 'Coalition' camel juggles but doesn't reform

Proposal C is a compromise of the executive and legislative branches of government. It's dubbed the "Coalition" plan.

Many say it's a reactive answer to Proposal D (Tisch). This is true.

But Proposal C is also supposed to be an answer to Proposal A (Smith-Bullard).

And that's about all Proposal C accomplishes — it's an alternative to A and D. Our Leaders didn't just decide to sit down and redesign the tax system because it seemed like a good idea.

NOT WANTING to cut property taxes in half, the Coalition would reduce each homestead and farm assessments by \$7,100. (In this area, a house with a market value of \$70,000 would be assessed at \$35,000. An assessment reduction of \$7,100 would be a cut in property taxes of one-fifth.) Proposals A and D would cut property taxes far more.

Not wanting to increase the income tax, as Proposal A would, the Coalition opted for an increase in the sales tax, from 4 cents to 5.5 cents per dollar (after exempting utility bills).

Our objection is that the sales tax is essentially regressive and not based on ability to pay. Where is the sense in paying people Social Security benefits, pensions, unemployment benefits, workers compen-

sation, Trade Readjustment Act benefits, ADC or welfare and then turning around and taxing the people who were supposed to be helped?

We've been told Proposal C would dip into tourists' pockets through the sales tax hike. Maybe. But we notice tourism dropping as gasoline prices rise. And we notice many Michiganders in border counties already shopping in Toledo, South Bend, Michigan City and Marquette.

Proposal C would earmark all state lottery money for education. This bit of political appeasement only takes money from one pocket and puts it into another.

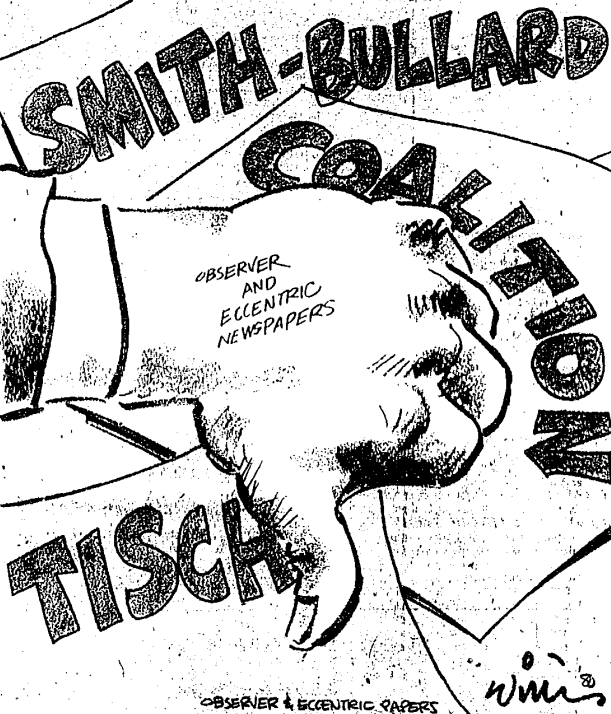
THE "COALITION" supporting Proposal C includes voices from government, business, labor, agriculture, education, civic groups, Democrats and Republicans.

And that may explain why Proposal C would provide so little basic reform. To win support from such divergent groups, the proposal was watered down, whittled away and compromised.

It reminds us of the old definition of a camel: a horse designed by a committee.

There's no major tax reform in Proposal C, and it warrants a "no" vote.

## To all three!



## Why we back drinking, prison, legislative plans

If state Proposals A, C and D are complex and full of fishhooks; four other proposals on the Nov. 4 ballot are free of those faults.

Proposals B, E, G and H are straightforward. Each is aimed at a single purpose. Each would make some improvement in society.

The editorial board recommends "yes" votes on Proposals B, E, G and H. (There is no proposal F.)

PROPOSAL B would lower the age for purchase and consumption of alcoholic beverages from 21 to 19.

In 1972, the Age of Majority Act reformed a mish-mash of laws governing the ages at which persons could work, be licensed for various occupations, vote, drink, own property — a whole series of rights and responsibilities.

The new age of majority was placed at 18.

From the start, there was a campaign by enemies of the drinking provision to produce hokey drinking-driving statistics. Every trick in the book was used: selective enforcement, selective choice of arrests, the equating of "involvement" with guilt, and so on.

The tricks worked. In 1978, the voters violated the spirit of the Age of Majority Act and raised the drinking age to 21. It didn't stop young adults from drinking, of course; just made it a little more bothersome.

Proposal B proposes to lower the drinking age not to 18 but to 19. The reason: School officials insisted, with some logic, that younger kids would be less likely to get their hands on the stuff if 18-year-olds seniors couldn't purchase it.

Proposal B would right a wrong that was done to 18- and 20-year-olds. It's an honorable compromise. Proposal B should be passed.

PROPOSAL E calls for the construction of four new regional prisons, other prison changes and an increase in the state income tax rate from 4.6 percent to 4.7 percent to pay for it.

The increase of one-tenth of one percent would last five years.

The proposal makes sense because Michigan's prison population has virtually doubled since 1973.

Prison terms are longer now, a judicial response to the increase in crimes against people and property.

In 1978 Michigan voters approved a law prohibiting early paroles for persons convicted of certain violent crimes. That, too, made prison terms longer and increased the prison population.

The public wanted a war on crime. We called the tune. Now it is time to pay the piper. Proposal E should be approved.

PROPOSAL G would end the immunity from civil arrest that state legislators have long enjoyed during sessions of the Michigan Legislature.

Immunity made sense in 1837, when the legislature met only a few weeks a year. It prevented harassment of our lawmakers.

Today, however, the legislature is at least technically in session from early in January to Dec. 31. And now that some traffic violations are civil offenses, legislators are virtually immune from those charges, too.

Times change. The legislature has changed. The state constitution should be changed accordingly by ending legislative immunity. Proposal E should be passed.

PROPOSAL H is similar to an amendment to the U.S. Constitution allowing appointment of a vice president when a vacancy occurs.

Proposal H would: a) allow the governor to appoint a lieutenant governor, subject to ratification by a majority of the legislature; b) allow an incumbent legislator to be eligible for such an appointment; and c) eliminate the provision making the lieutenant governor the presiding officer of the senate.

The senate is quite capable of electing its own presiding officer, as the house does. The lieutenant governor's tie-breaking vote in the senate is used so rarely it is to be inconsequential.

LI Gov. James Brickley, who has held the job six years, is for Proposal H. Legislators of both parties are for it.

No harm and some good will be accomplished with passage of Proposal H.

## D Middle class will be poorer if Tisch is inflicted

We pointed out last week that Proposal D, billed as the Tisch tax cut, is terrible constitutional law because it would require future tax changes to get a 60 percent vote of the people.

The American idea of a majority is 50 percent plus one. We can amend the Michigan constitution with a vote of 50 percent plus one.

By requiring a 60 percent "yes" vote on taxes, Tisch would give taxing powers to a 41 percent minority of the voters.

The Michigan Legislature can approve an amendment to the U.S. Constitution with a vote of 50 percent plus one. Under Proposal D, it would need 80 percent to change tax exemptions, credits, rebates or school aid payments.

A negative minority of 21 percent could control the Legislature.

We say "no" to that nonsense and "no" to Proposal D.

THE MIDDLE CLASS of Michiganders would suffer most from the kind of state budget cuts Proposal D would inflict.

Proposal D would cut property taxes an estimated 60 percent or \$2 billion, but require the state general fund (\$3.7 billion) to make up the difference.

Proposal D requires the state to reimburse local units of government for their lost property tax revenue based on — get this — 1978 assessments. It means local government would not break even but suffer a 20 percent revenue loss from that source.

Do you like the idea of being safe on our freeways at night because the state police are around? Under

Proposal D, three-fourths of the uniformed state police troopers would have to be axed.

Did you go to a state college? Are your children or grandchildren college-bound? State aid to colleges would be cut 60 percent. Many would probably have to be closed down if D passes.

Our 84 state parks are grand, but they are technically "non-essential." All but eight would have to be closed.

Do you like the idea of the Judicial Tenure Commission throwing out drunken and incompetent judges? Well, the Judicial Tenure Commission would have to go if Proposal D passes.

During the 1970s, state game wardens tripled the number of arrests of poachers. Say good-bye to the game wardens — and the game — if Proposal D passes.

ISN'T IT GOOD when state auditors peer over the shoulders of local government and nail crooked officials? Look for reductions in the auditing staff if D passes. Get ready for more crookedness.

The kids who get specialized training at the School for the Blind in Lansing and the School for the Deaf in Flint will have to attend classes in the local districts. The state schools will be closed. Is your district prepared to pick up the load?

Do you benefit from state inspection of meat, grocers' scales and gasoline pumps? We'll be relying on federal inspectors if D passes.

There's! No. The state can't spend \$2 billion it doesn't have if D passes. And the middle class would be the poorer for it.