

# The Record

## **Webber: N.J. doesn't need more tax "investments"**

**Thursday, August 7, 2008**

BY JAY WEBBER

IS NEW JERSEY government not taxing you enough? Is state government not spending enough of your hard-earned money? When your neighbors fled for Pennsylvania, were they saying, "We would remain in New Jersey, if only government spent more and taxed me more to pay for it"?

The answer: No, of course not. But according to their recent commentary in these pages, Eva Bonime and Jon Shure think the answers to those questions are "Yes," "Yes" and "Yes." Their attitude is symptomatic of New Jersey Democrats' addiction to spending other people's money.

You see, what the rest of the world knows to be "taxes" and "spending," Bonime and Shure call "revenue enhancers" and "investments" — the same thinly veiled euphemisms Governor Corzine uses.

Faced with the knowledge that New Jerseyans actually want to cut spending and taxes, but committed to ever more spending and higher taxes (not to mention increased debt), New Jersey Democrats resort to creative packaging for their worn-out agenda.

The goods they are selling — increases in income, gas, motor vehicle and other taxes — have been sold before. Remember that Gov. Jim Florio told us that his \$1.3 billion tax increase would solve our budget problems? He was wrong.

When Govs. Jim McGreevey and Corzine increased the income, sales and employer taxes by billions, they said that would solve the property tax crisis and improve our economy. They were wrong, too.

That's because tax and spending increases are simply not sound economic strategy. Government does not grow the economy or create wealth. Government takes money from citizens and reallocates it, sometimes for good and necessary things, and other times for bad. But there is no such thing as sound government "investing."

### **No taxing to prosperity**

In America, thankfully, we leave investing to the private sector. No state taxes and spends its way into prosperity.

New Jersey's experience is proof. Democrats have been "investing" our tax dollars quite heavily for the last seven years. During that time, they have increased spending by \$11 billion — about 50 percent — and added more than 102 taxes — on income, sales, estates, employees, employers, home sales, televisions, phone bills, motor vehicles, tires and many more items.

The average family of four in New Jersey has seen a state tax increase of more than \$10,000 since 2002, a wallop far and away the biggest in the nation. And that does not even count our record-setting property taxes, which have skyrocketed 48 percent since 2001!

In short, we have "invested" and "revenue-enhanced" enough.

In response, New Jerseyans are voting with their feet, seeking escape from oppressive taxes and finding refuge in low-cost states. In the last six years, a net 300,000 people have left the Garden State for other states, with another 100,000 expected in 2009.

That exodus carries horrible economic and social consequences. The flight of our citizens has cost our state economy about \$10 billion, with heavier losses to come. Private-sector job growth is flat, and we

have a net job loss so far in 2008. And families and neighborhoods are breaking up as relatives and friends scatter to find jobs or a reasonably comfortable retirement.

We just can't afford the vicious cycle the Democrats present us: The more the state spends, the more people are taxed; the more they're taxed, the more they seek refuge in other states; the more people leave, the more economic growth and budgetary revenues decline, and the more pressures are placed on remaining residents and employers to support unsustainable tax-and-spend policies; and then the more Democrats want to "invest."

### **Tax-cutting is an investment**

New Jersey needs policies like those championed by Presidents Kennedy and Reagan, who proved that tax-cutting generates true investment, powers sustained prosperity and economic growth, and increases government revenues at the same time. Other states employ that formula with great success.

Low-cost states have been counting their surpluses this decade, enjoying economic growth and attracting our residents and jobs as a result.

It's time for New Jersey to fight back by employing similar policies and reclaiming our lost jobs and citizens. When our taxes were low and the state spent much, much less, New Jersey was the economic engine of the Northeast. Small-business men and high-net-worth individuals came here to escape the tax burdens of New York and Pennsylvania.

New Jersey was an affordable place to settle down, raise a family and retire.

We can be that kind of place again, if only we stop the Democrats from "investing" any more.

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