Legislative limelights

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Protection of vested interest poses worry

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The antics of many legislators, particularly the Republican leadership, to protect their vested interest, is a cause for worry.

Idaho lawmakers face frightful financial problems and their oft-repeated statements that nothing in state government is sacred from reduction should apply equally to all sectors.

In these dreadful times of shortfall, the leadership should look on ways to raise revenue from all segments of industry, not just the lowly taxpayer. Cutbacks should be fairly distributed.

It's painfully clear the large private utilities, corporations and other groups with well-heeled lobbyists have too much influence. These lobbyists bring considerable pressure by hosting legislators at dinners, luncheons, receptions and other socials during most of the session, especially in the early days.

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The first major tax the Legislature enacted was the 1 cent sales tax increase, a move that was justified. Nevertheless it was against the average taxpayers' wishes. It is highly probable another cent hike will be added.

Yet, these same legislators are avoiding the governor's recommendations for repeal of the Job Credit, Investment Credit; and especially the corporate tax benefits enacted last year. The corporate tax action could bring in more than $30 million and the other two at least $5 million each.

A subcommittee under Rep. Rich Orme, R-St. Anthony, has studied these alternatives but they have received scant attention from the leadership so far.

Another possibility is restriction of loss carryback, which would chip in $2.5 million, advance income tax payments, and others.

Lawmakers voted a freeze on benefit payments for jobless workers, froze salaries for state employees, reduced unemployment benefits but have taken no action yet to lift some sales tax exemptions which benefit their vested interests.

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Legislators instead are veering the opposite direction. For example, they are looking at proposals to thwart the will of the people by crippling the so-called 50-50 Tax Initiative passed in the November election.

It is only the fear that this would lead to defeat in 1984 that stops many legislators.

Among the leaders seeking repeal or crippling amendments are Reps. Gordon Hollifield, R-Jerome; Walter E.Little, R-New Plymouth; John Brooks, R-Gooding, and others.

The initiative gives residential property owners a tax exemption on their property's value up to 50 percent, or $50,000, whichever is less.

Figures from the State Tax Commission show that from 1976 through 1982, residential taxes went up $63.4 million. At the same time, the total for other property rose $5 million. The initiative shifts about $19 million which was unfairly taxed from residential property owners.