

COMMENTARY

The basic injustice of property taxes

Once again, South Carolina has the opportunity to lead the nation in a tax revolution. Unlike our armed revolt against unfair taxation in the Revolutionary War, we can peacefully restore fairness with a system of taxation that is simple and rational.

As evidenced by recent coverage in the press, our system of taxation, particularly as it applied to property, has become antiquated. While in the 1700s, land ownership once had a relationship to one's ability to pay, today just the opposite can be the case. Due to market pressure, the value of what might have originally been a modest home can escalate vastly beyond any increase in income. Finally the debate has come to the forefront; I hope meaningful relief will be forthcoming.

In 1819, John Marshall wrote, "The power to tax is the power to destroy." By allowing the government to tax our property, we have compromised our freedom of own-

ership. If we refuse to pay our property taxes, the government will essentially "take" our homes via liens. This violates the basic American freedom to be safe and secure in one's home without the threat of government confiscation. Cicero recognized this more than 2,000 years ago when he wrote that the first duty of government is to ensure that "private citizens suffer no invasion of their property rights by an act of the state."

If we are a nation of opportunity, then we should tax income (above a basic level). One's tax burden rises and falls in relation to productivity. If we are a nation of consumers, then a sales tax makes sense if we exempt basic foods and medicines. While capturing tax support from visitors to our area, it also taps unreported sources of income, most notably



**Jack
Simmons**

*Guest
Columnist*

from criminal activities. If we profit from our system by the accumulation of capital wealth, then we should have no problem with returning a portion of that wealth to the system by paying taxes on capital gains. Since we only pay taxes on stock gains, we should consider treating property appreciation similarly, paying only when it is sold and the gain actually realized.

Alternatively, a transfer fee (i.e., a sales tax on homes) would more fairly provide revenue than the present system.

Citizens and elected officials constantly pay lip service to family values. Yet by allowing government to tax our homes, we foster a system contrary to family continuity. Families who improve and care for their homes over a generation end up suffering from the increased value, often having to sell to pay taxes, subsequently

moving to a smaller abode or less desirable neighborhood. This shatters residential continuity, disrupting the stability engendered by extended family relationships. Such taxation promotes an ever-increasing transitory society leading to more community anonymity, instability and crime.

The ability to own a home should be such a basic American freedom as to be untouchable by government. Until we eliminate property taxes completely, we can only have the fantasy of home ownership. If needed, in lieu of the homeowner being forced to pay more, government should be willing to accept less.

The challenge before us is to restore the freedom of home ownership by rising above the politics of envy, eliminating completely and forever this invasion of our privacy, our homes and our freedom.

*Mr. Simmons lives in
Charleston.*