



Bad idea would take its toll...

By Charles D. Chieppo

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Pioneer Institute is about the last organization one would expect to oppose any idea that puts money back in taxpayers' pockets. On the surface, Question 6, one of the initiatives that will appear on this November's statewide ballot, would do just that. But a closer examination shows that Question 6 merely shifts the burden of paying for critical services away from those who benefit from them and onto the shoulders of state taxpayers.

Beginning next year, Question 6 would provide a dollar-for-dollar income tax credit for all tolls and auto excise taxes paid by individuals and corporations in Massachusetts. Tolls currently raise about \$200 million in revenue and auto excise taxes account for \$500 million.

Tolls are currently collected on the Massachusetts Turnpike, Tobin Bridge, and the three Boston Harbor tunnels. Turnpike tolls west of Springfield have already been eliminated and the tolls between Springfield and Route 128 go exclusively toward maintenance of the Pike. The toll revenues that help pay for Big Dig costs - Tobin Bridge, harbor tunnel, and Turnpike tolls inside 128 - come from the drivers who will most directly benefit from the project.

As it is, state and federal taxpayers pay for nearly 90 percent of Big Dig costs, while tollpayers kick in less than 9 percent. The share of the load shouldered by taxpayers from across Massachusetts recently increased when driver's license and vehicle registration renewal fees were reinstated. If Question 6 passes, state taxpayers' share of the bill would increase by an additional one third.

Tolls also currently finance \$110 million in maintenance and capital improvements for the commonwealth's toll roads. This burden, along with the costs of maintaining the new Charles River Bridge and Central Artery once the project is completed, would also shift to taxpayers if Question 6 passes.

Auto excise taxes collected by the state go to the communities in which each car is garaged. Since 1928, auto excise taxes have helped pay for the building and maintenance of locally owned and operated roads. They account for about 4 percent of local revenues, enough to cover all local government operating spending on highways as well as a portion of capital project costs. Once again, Question 6 would not reduce taxes. It would shift the burden away from the beneficiaries of a service and onto taxpayers as a whole.

Instead of eliminating tolls and auto excise taxes, Question 6 would provide a tax credit for the money spent on them. This means taxpayers would still pay for the state to collect the taxes and it would require the creation of a new - and costly - bureaucracy to process the credits.

Finally, passage of Question 6 would put the commonwealth in the position of simultaneously pursuing conflicting policy goals. Under the terms of a September consent agreement, the MBTA agreed to a series of costly projects specifically designed to mitigate the impact of the Big Dig and increase public transit use during construction. The agreement includes deadlines for completion of projects like the lengthening and modernization of Blue Line platforms, construction of the Greenbush commuter rail line and other expansion projects.

At the same time the commonwealth is committing to over \$1 billion in projects designed to discourage automobile use, Question 6 would provide an incentive to drive by subsidizing selected drivers.

The Massachusetts Taxpayers Foundation hit the nail on the head when they wrote, "Public investments that provide particular benefits to users should be paid for by the users in proportion to the benefits they receive."

By providing an affordable, across-the-board tax reduction to all Massachusetts taxpayers, Question 4 gets it right. Question 6, on the other hand, would create both a subsidy masquerading as a tax cut and yet another layer of state bureaucracy.

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