

KeyOpinion



The Power to Tax

Richard L. Hershatter
Contributing Columnist

*"The power to tax is the power to destroy,"
Or so a judge once said,
Paying the piper is never a joy,
Especially when you're dead.*

Of all the taxes devised by the grasping mind of man, perhaps the most invidious is the so-called "death tax," sugar-coated in various jurisdictions under the pseudonyms "estate tax," "succession tax," or "inheritance tax."

No matter what it is called, the levy on a decedent's estate is a classic case of double taxation, because it is imposed on moneys that were already taxed once at the time they were earned. Sometimes there is even a triple or quadruple tax, depending on whether or not sales or luxury or other excuses were targeted at the same cache of funds.

And what is most repugnant is that the individual who has spent an entire lifetime accumulating his nest egg is no longer there to defend either it or himself.

What gives rise to this column (and this columnist's dander) is a recent article by Assistant Professor of History Johann N. Neem of Western Washington University, entitled: "Let's Estate Tax the Aristocracy Back to the Middle Class."

The piece, originally written for the History News Service and appearing in various newspapers around the country, propounds the thesis that estate, or death, taxes protect us from the dangers of aristocracy.

Further, to add credence to his position, the professor attributes the concept to Thomas Jefferson, who was supposedly concerned by the European custom of leaving one's entire estate to the eldest son.

The effect of such a practice was to concentrate wealth in the hands of one heir, instead of spreading it among all the decedent's children, so that family wealth was kept intact over generations. Supposedly, Jefferson feared that such concentration would lead

to the establishment of an American aristocracy, so he urged the adoption of "partible," or divisible inheritance, whereby inheritances were apportioned equally among one's children.

The professor's premise is flawed, however. President Jefferson was not Karl Marx or even Vladimir Putin, and his distaste for primogeniture, did not make him a radical committed to depriving citizens of the fruits of their labor.

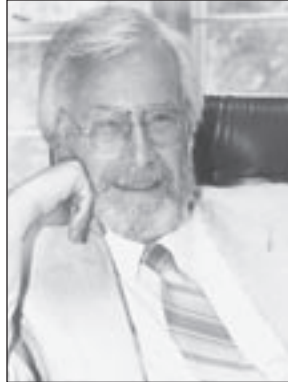
The whole purpose of taxation was to provide the fledgling nation with the wherewithal to equip its armies and pay its courts and to be able to afford all the things that governments are created to do. Although the colonists abhorred the trappings of the aristocratic regimes from which they had so recently escaped, they evidenced no intent to use the power to tax as a means of social engineering.

That came later.

Further, the idea that wealth can only increase as it passes down from generation to generation ignores the reality of the human condition. Ever heard the expression "easy come, easy go?" Heirs who have not toiled to attain their wealth are apt to spend lavishly or lose it in unwise investments. Human nature is a great leveler.

What is more, putting restrictions on the passage of wealth between generations does not in and of itself prevent concentrations of wealth. Two of the richest men in the United States today are Bill Gates and Warren Buffett, each of whom created vast riches out of their own abilities, from scratch.

It is true that both Gates and Buffett are committed to giving away much of their fortunes, through charitable foundations, but the reader can rest assured that when all is said and done and the dust settles, no descendent



of the Microsoft maven will find himself at the gates of the poorhouse, nor will his fellow billionaire's progeny find themselves buffeted by the winds of ill fortune.

Assistant Professor Neem appears to have taken Jefferson's thoughts out of context and applied them to his own theories, but even if his analysis was correct, Jefferson, for all his talents, was not a role model for interactions between parent and children.

Jefferson's only legitimate son, by his wife Martha, died in infancy. Although he is alleged to have fathered offspring by Sally Hemings, one of his slaves, there is no evidence that he cared for them or made any provision for their well being after his death, other than to set them free.

Nor did Jefferson have to put up with an inheritance tax — there was none in this country until 1916, and even then it was considered to be a temporary evil.

Skip ahead a few centuries, to the present time.

For whatever reason, the present administration, which is evidently not in fear of an artificially created aristocracy, has attempted to eliminate the death tax.

It has not yet succeeded, but it has progressively reduced the amount subject to the levy and has abolished the tax altogether for one year only, 2010, after which, unless a future Congress decrees otherwise, it jumps right back to the confiscatory rate of 1999.

Take heed. 2010 may not be a good year in which to own the stock of life insurance companies.

"You cannot take it with you,"

So all the sages say,

But your heirs will not miss you,

If the tax man has his way.

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Letter from Pope Benedict to a Muslim Friend

Tom Burgum
Contributing Columnist

Recent news tells of the worldwide reaction to Pope Benedict's address entitled "Faith, Reason and University Memories and Reflections. Many in the Muslim world and some in the West have called on the Pontiff to apologize. If I was the Pope composing a letter to a Muslim friend, this is what I would write.

My dear Abdullah,

I thought it a good time to write to you, given the recent upset over some remarks of mine. Recently I quoted a Byzantine emperor in the 1391: "Show me just what Mohammad brought that was new, and there you find things only evil and inhuman, such as his command to spread by the sword the faith he preached." The essential message in my address was that violence is incompatible with the nature of God and the soul and that a conception of God divorced from reason (logos) is deficient. I believe that not to act reasonably — not to act with logos — is contrary to the nature of God. I also took the opportunity to call for a world-wide dialogue.

The words were barely out of my mouth when the caterwauling commenced from your world, i.e., the Muslim world. Large crowds gathered protesting this alleged insult to Islam and many in the crowd carried commercially printed signs vilifying me, Israel, the United States in particular and the West in general.

I must say I am impressed with the signs. How do people manage to have such elaborate signs ready on a moment's notice, no matter what the occasion? A Democrat friend of mine from the United States asked me if I could get the name of the guy who handles the sign concession because they have some organizational issues.



The protestors called for an apology; indeed, they demanded an apology. But frankly, I really didn't feel like apologizing so I had the Vatican issue the following statement: "The Holy Father is very sorry that some passages of his speech may have sounded offensive to the sensibilities of Muslim believers."

I was happy to note this satisfied your moderate faction but the radical Muslim groups figured out it wasn't an apology. I must admit they are right — it was not nor was it meant to be an apology.

Some in the West also called on me to apologize. In the U.S., the New York Times managed to take me to task for using bad language. They wrote, "There is more than enough religious anger in the world. So it is particularly disturbing that Pope Benedict XVI has insulted Muslims." Then they called on me to ask for forgiveness, "demonstrating that words can also heal."

I believe the New York Times is really shocked because someone has displayed the temerity to actually have an opinion that involves a value judgment. Political correctness in the U.S. has almost neutered those poor people. Do you know that right after 9/11, many didn't think about fighting back but busied themselves with wondering, "What did we do to make them so mad?"

That was so pathetic I began to despair for those people. It doesn't seem they recognize anything as evil — with the exception of their own government.

So the New York Times wants healing words. I'll give them an example of healing words. The Mujahadeen Army sent me a message last week, a least I assume it was meant for me because it was addressed to "you dog of Rome." They threatened to shake my thrones and break the crosses in my home. Not content to leave it at that, they also promised to send me people who adore death as much as I adore life. How's that for healing words?

I wonder why the New York Times doesn't call for some apologies from the radical Muslims for all the violence. The madrasas instruct young Muslims to hate the infidel; Muslim TV stations run cartoons that claim Jews

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