Lawmakers have chance to end food tax

Of all the taxes conjured up by the world’s oppressors, none is as oppressive — or regressive — as the one on food. Historically, it has led to revolution. In modern America, it merely makes the poor poorer.

Enacted in New Mexico as an emergency tax when the Depression rendered property tax a low-yield proposition, the sales tax in various guises remains a revenue mainstay — and it still applies to groceries in a state that’s No. 1 in the U.S. Department of Agriculture’s roll of “prevalence of food insecurity and hunger.”

Thirty-three states don’t tax food; eight others give groceries a break of one form or another. Only nine, including the handful so often found at the bottom of our nation’s socioeconomic heap, tax food at the same rate as frivolities.

For the well-off, the food tax is a pittance: 5 percent to the state, another penny and a half for local government. Folks earning more than $75,000 a year spend less than 4 percent on groceries. But just below the $15,000-a-year level, the percentage paid for food at the check-out counter is 16 percent. As for food stamps, popularly thought by the wealthy to cover the poor, fewer than a third of those eligible for them actually receive food stamps; the great majority of the poor pay the same for their food as everyone else does. So they and their kids eat less — and less well.

It’s a statewide shame, and it should stop. Over the years, some of the biggest hearts in the New Mexico Legislature have tried to reduce or eliminate the food tax. A big reason they failed was that food tax supplies about $50 million a year in revenue — and no new revenue sources were offered to plug that hole in the treasury.

Now comes Think New Mexico, the public-policy organization dedicated not just to studying our state’s problems but to solving them as well with a bipartisan approach. This is the bunch that amazed political cynics two years ago when it persuaded the Legislature and Gov. Gary Johnson to enact full-day kindergarten.

They did it during the Legislature’s monthlong “short” session. How? They countered such arguments as “not enough money” with concrete proposals for public-spending cuts, if necessary. Most of all, they convinced lawmakers of both parties that all-day kindergarten was the right thing to do.

That argument will go a long way on the food-tax front as well — but what about the lost revenue? It can be covered with a whopping increase in the excise tax on cigarettes. By raising today’s 21-cent-a-pack tax to 80 cents a pack, our legislators could eliminate the food tax and still cover such predictable effects as:

- Increased Indian-reservation cigarette purchases.
- Some New Mexicans giving up smoking — a public-health byproduct of this measure.
- To be sure, the tobacco lobbyists will fight this effort tooth and nail. But theirs is a deservedly losing cause. Four years ago, Alaska boosted its cigarette tax from 29 cents all the way to a dollar a pack. New Mexico’s current rate ranks nationally in the bottom 15 — with the tobacco-growing states. Anybody seen any Lucky Strike farms along the Rio Grande?

Tobacco tax for food tax is a trade as good as it is overdue. We salute Think New Mexico — its tiny staff, its inspired board of directors and the foundations and individuals supporting it — for the homework and thought behind this campaign to end the food tax. We urge our senators and representatives, and the governor, to carry out this proposal on behalf of all their fellow New Mexicans.