



MISSOURI SENATE

JEFFERSON CITY

Wes Shoemyer
18th Senate District

CAPITOL BUILDING, ROOM 434
JEFFERSON CITY, MO 65101

**A Weekly Column for the
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**Contact: Kathy Armstrong
(573) 751-7852**

Misplaced Priorities

JEFFERSON CITY – A very large crowd gathered at the Capitol this week, bringing a call to action to help end poverty in Missouri. An estimated 1.7-million Missourians struggle to meet their basic needs each day. That’s more than the populations of St. Louis, Kansas City and Springfield combined. They are simply asking that we, as the legislature and the administration, create a bipartisan commission committed to ending poverty and promoting economic security for all Missourians.

I believe this would be a great first step bringing legislators, faith-based community groups, business leaders, educators and people who currently or formerly have lived in poverty.

In recent articles, I’ve talked about trying to restore cuts that eliminated access to health care and trying to meet the requests for home-delivered and congregate meals for seniors. Today we deliver fewer home-delivered meals and congregate meals than we did last year – in a time when the need is growing. My attempt to add \$2.6-million in our state budget for these meals failed. I’m very frustrated because I know the challenges many of our Senior Nutrition Centers are having with their budgets.

This week the Senate approved House Bill 444 – the tax cut bill. Currently, Missourians pay no income tax on Social Security if their income is below \$25,000 for an individual or \$32,000 for a married couple. At higher income levels, they pay taxes on a portion of their benefits. Pensions up to \$6,000 also are not taxed. HB 444 would raise those income exemptions to \$85,000 for individuals and \$100,000 for couples. But some with higher incomes would still get some tax relief. That’s because for every dollar that income exceeds the \$85,000 or \$100,000 cap, a dollar of the retirement benefit that would be exempted is taxed.

For example, a couple that earns \$110,000 would pay taxes on \$10,000 of their Social Security benefits. On the other hand, a couple that that earns \$90,000 would not pay any taxes on their benefits. The pension exemption would cover those who opted out of the Social Security system and don't receive benefits through the federal program, including teachers, firefighters, police officers, military personnel, federal employees and railroad workers. Retirement benefits would not be tax exempt until the retiree turns 62, but the disability benefits would be exempt at any age.

While it is easy and popular to vote for a tax cut, I find it unconceivable that we can justify a tax cut for those making six figures in retirement benefits, but we cannot find the tax dollars to meet the very basic needs of our senior citizens and families for food and basic health care.

According to the Institute on Tax Policy in Columbia, 72% of Missouri's seniors will not benefit from this tax cut. The vast majority of benefits will go to wealthy retirees. Furthermore, none of the people who lost their health care two years ago will benefit from this tax cut.

This tax cut was lauded as a way to attract seniors to retire in Missouri, but why would seniors want to move to a state that doesn't provide health care to hundreds of thousands of its most vulnerable citizens? Why would they move to a state that doesn't provide money to put food on the tables of our seniors?

Our state budget should reflect our values. As I've said before, one of the basic duties of state government is to care for those least among us, but we seem to have misplaced priorities around here.

Switching gears a bit, I was successful in amending a House Bill this week requiring that 70% of the state's fleet of light vehicles be flex-fuel vehicles to encourage the use of ethanol and biodiesel. If we're going to talk the talk about ethanol and biodiesel, we should walk the walk. My amendment is good for family farmers, it's good for the environment, and it's just good public policy.

If you have questions or comments about this or any other issue, please feel free to contact me at 573-751-7852.