

Wednesday, March 16, 2005, 12:00 A.M. Pacific

Turn off the spigot

SENS. Patty Murray and Maria Cantwell would benefit their state and their party by supporting repeal of the federal death tax.

Democrats have defended this tax because it falls most obviously on the wealthy. The problem is that it is so big and falls all at once. Instead of collecting 1 percent of the value of a property each year, as an ordinary property tax does, it attempts to collect half a lifetime's property taxes in one year. For the sons or daughters to continue a family business, the law may require they pay 35, 40 or 45 percent of the value of their company to the federal government. Few have that kind of money. They sell.

The smarter ones may sell in advance. Ben Bridge Jeweler did that, as did the Frank Russell Co. in Tacoma. In our industry, dozens of newspapers have done it. In the corporate world, the death tax is the shotgun of arranged marriages.

What is the social purpose of such a tax? We can't fathom one.

In national politics, the death tax has become an oilfield for the Republican Party. Though the tax raises only 1 percent of collections for the U.S. Treasury, it is a geyser of donations for the GOP, which promises every year a big fight to repeal it.

The fight happens, but somehow repeal never quite gets done. Some begin to doubt whether it is supposed to get done. Prominent tax attorney Edward J. McCaffery writes that the GOP may be just play-acting at killing the tax "because any permanent solution would turn off the spigot."

There is an idea: Turn off the spigot. That may be the best cynical reason for a smart Democrat to vote on this issue with President Bush.