

# Tax benefit

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Paying taxes in this country is ordinarily accompanied by much grumbling. Rarely does anyone point out that paying taxes is not just a legal duty but a moral opportunity—because paying taxes is one way each of us supports the common good. Taxation provides crucial elements of a good society, including a justice system, public education, an infrastructure that encourages commerce, and a safety net for the elderly and the vulnerable.

As Gary Dorrien [points out](#) in this issue, tax rates in this country have mostly gone down since the 1980s. Political candidates rush to pledge that they will lower taxes, or at least not raise them—as if that is necessarily better for the country. But while tax rates have been going down, the income level of most Americans has stagnated and the income of the wealthy has sharply increased. The economic crisis of the middle class has many contributing factors, including the decrease in well-paying manufacturing jobs, but increasingly regressive tax rates have put new stresses on the middle class while helping many of the rich get richer.

Meanwhile, many corporations escape taxes altogether. Reuters news agency reports that 72 percent of all foreign companies doing business in the U.S. and 57 percent of American companies paid no federal income taxes during at least one year between 1998 and 2005. During the same period, more than half of the foreign companies and 42 percent of American companies paid no taxes for two or more years. In those years, corporate sales in the U.S. totaled \$2.5 trillion. Though U.S.

business leaders complain about high taxation rates, the amount they actually pay is relatively low given the proliferation of tax credits and loopholes and efforts to move operations overseas. In recent years, for instance, General Electric, Exxon-Mobil, the Bank of America and Citibank paid no income taxes.

When asked in a survey to pick the ideal distribution of wealth in a country, Americans, both rich and poor, favored a pattern that is closer to egalitarian Sweden than to the reality of the United States. Americans seem unaware of the economic inequality that exists in this country—which is perhaps one reason they aren't clamoring for different policies.

As Dorrien suggests, Americans are more comfortable talking about the good life than the common good. And the definition of the good life tends to be one of individual consumption, dependent on foreign fossil fuel and protected by military might.

In *Journey to the Common Good*, Walter Brueggemann says that the Bible's vision of the common good is of a society in which the poor are not taken advantage of, in which strangers are welcomed and in which people stand in solidarity with one another. Applying this vision to contemporary conditions is a prophetic vocation to which people of faith and conscience are called. Even when that means defending taxes.